

SERFF Tracking Number:	NWPC-126053050	State:	Arkansas
Filing Company:	Nationwide Mutual Fire Insurance Company.	State Tracking Number:	EFT \$100
Company Tracking Number:	09H-6177AR-JM		
TOI:	04.0 Homeowners	Sub-TOI:	04.0000 Homeowners Sub-TOI Combinations
Product Name:	Homeowners		
Project Name/Number:	Arkansas Homeowners/09H-6177AR-JM		

## Filing at a Glance

Company: Nationwide Mutual Fire Insurance Company.

Product Name: Homeowners	SERFF Tr Num: NWPC-126053050	State: Arkansas
TOI: 04.0 Homeowners	SERFF Status: Closed	State Tr Num: EFT \$100
Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations	Co Tr Num: 09H-6177AR-JM	State Status: Fees verified and received
Filing Type: Rate/Rule	Co Status:	Reviewer(s): Becky Harrington, Betty Montesi
	Author: Filings F	Disposition Date: 03/20/2009
	Date Submitted: 03/05/2009	Disposition Status: Filed
Effective Date Requested (New): 08/18/2009		Effective Date (New): 08/18/2009
Effective Date Requested (Renewal): 08/18/2009		Effective Date (Renewal): 08/18/2009

State Filing Description:

## General Information

Project Name: Arkansas Homeowners	Status of Filing in Domicile: Not Filed
Project Number: 09H-6177AR-JM	Domicile Status Comments:
Reference Organization:	Reference Number:
Reference Title:	Advisory Org. Circular:
Filing Status Changed: 03/20/2009	
State Status Changed: 03/06/2009	Deemer Date:
Corresponding Filing Tracking Number:	
Filing Description:	
To implement overall base rate change. Remove Protection Class deviations from ISO and associated manual page revisions. Implement an Associate Discount. Update some Financial Responsibility Class factors. Revise Earthquake factors and deductible options.	

## Company and Contact

SERFF Tracking Number: NWPC-126053050 State: Arkansas  
 Filing Company: Nationwide Mutual Fire Insurance Company. State Tracking Number: EFT \$100  
 Company Tracking Number: 09H-6177AR-JM  
 TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations  
 Product Name: Homeowners  
 Project Name/Number: Arkansas Homeowners/09H-6177AR-JM

### Filing Contact Information

Joseph Mesaros, Actuarial Statistical-Support mesaroj@nationwide.com

Sr. Analyst

One Nationwide Plaza (614) 249-6647 [Phone]

Columbus, OH 43215 (614) 249-3885[FAX]

### Filing Company Information

Nationwide Mutual Fire Insurance Company. CoCode: 23779 State of Domicile: Ohio  
 One Nationwide Plaza Group Code: 140 Company Type: Property and Casualty

Columbus, OH 43215 Group Name: Nationwide Insurance State ID Number:  
 (614) 249-7022 ext. [Phone] FEIN Number: 31-4177110  
 -----

### Filing Fees

Fee Required? Yes  
 Fee Amount: \$100.00  
 Retaliatory? No  
 Fee Explanation: One Filing X \$100 = \$100

We have one rate/rule filing associated with the  
 Nationwide Mutual Fire Insurance Company.

Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Nationwide Mutual Fire Insurance Company.	\$100.00	03/05/2009	26178400

SERFF Tracking Number:	NWPC-126053050	State:	Arkansas
Filing Company:	Nationwide Mutual Fire Insurance Company.	State Tracking Number:	EFT \$100
Company Tracking Number:	09H-6177AR-JM		
TOI:	04.0 Homeowners	Sub-TOI:	04.0000 Homeowners Sub-TOI Combinations
Product Name:	Homeowners		
Project Name/Number:	Arkansas Homeowners/09H-6177AR-JM		

## Correspondence Summary

### Dispositions

Status	Created By	Created On	Date Submitted
Filed	Becky Harrington	03/20/2009	03/20/2009

### Objection Letters and Response Letters

Objection Letters				Response Letters		
Status	Created By	Created On	Date Submitted	Responded By	Created On	Date Submitted
Pending Industry Response	Becky Harrington	03/11/2009	03/11/2009	Filings F	03/19/2009	03/19/2009

### Amendments

Item	Schedule	Created By	Created On	Date Submitted
HO Manual Pages	Supporting Document	Filings F	03/19/2009	03/20/2009
Response to Objections	Supporting Document	Filings F	03/19/2009	03/20/2009
Exhibit A	Supporting Document	Filings F	03/19/2009	03/20/2009

### Filing Notes

Subject	Note Type	Created By	Created On	Date Submitted
Revised Pages	Note To Filer	Becky Harrington	03/20/2009	03/20/2009

<i>SERFF Tracking Number:</i>	<i>NWPC-126053050</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>Nationwide Mutual Fire Insurance Company.</i>	<i>State Tracking Number:</i>	<i>EFT \$100</i>
<i>Company Tracking Number:</i>	<i>09H-6177AR-JM</i>		
<i>TOI:</i>	<i>04.0 Homeowners</i>	<i>Sub-TOI:</i>	<i>04.0000 Homeowners Sub-TOI Combinations</i>
<i>Product Name:</i>	<i>Homeowners</i>		
<i>Project Name/Number:</i>	<i>Arkansas Homeowners/09H-6177AR-JM</i>		

## Disposition

Disposition Date: 03/20/2009

Effective Date (New): 08/18/2009

Effective Date (Renewal): 08/18/2009

Status: Filed

Comment:

Rate data does NOT apply to filing.

SERFF Tracking Number: NWPC-126053050 State: Arkansas

Filing Company: Nationwide Mutual Fire Insurance Company. State Tracking Number: EFT \$100

Company Tracking Number: 09H-6177AR-JM

TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations

Product Name: Homeowners

Project Name/Number: Arkansas Homeowners/09H-6177AR-JM

Item Type	Item Name	Item Status	Public Access
Supporting Document	Form RF-2 Loss Costs Only (not for workers' compensation)		Yes
Supporting Document	H-1 Homeowners Abstract	Filed	Yes
Supporting Document (revised)	HPCS-Homeowners Premium Comparison Survey	Filed	Yes
Supporting Document	NAIC loss cost data entry document	Filed	Yes
Supporting Document (revised)	Transmittal Document	Filed	Yes
Supporting Document	Rate Filing Schedule	Filed	Yes
Supporting Document	Financial Needs Model	Filed	Yes
Supporting Document (revised)	HO Manual Pages	Filed	Yes
Supporting Document	MH Manual Pages	Filed	Yes
Supporting Document	Homeowner Filing Exhibits	Filed	Yes
Supporting Document	Response to Objections	Filed	Yes
Supporting Document	Exhibit A	Filed	Yes
Supporting Document	HPCS-Homeowners Premium Comparison Survey		Yes
Supporting Document	Transmittal Document		Yes
Supporting Document	HO Manual Pages		Yes

SERFF Tracking Number: NWPC-126053050 State: Arkansas  
Filing Company: Nationwide Mutual Fire Insurance Company. State Tracking Number: EFT \$100  
Company Tracking Number: 09H-6177AR-JM  
TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations  
Product Name: Homeowners  
Project Name/Number: Arkansas Homeowners/09H-6177AR-JM

## Objection Letter

Objection Letter Status Pending Industry Response

Objection Letter Date 03/11/2009

Submitted Date 03/11/2009

Respond By Date

Dear Joseph Mesaros,

This will acknowledge receipt of the captioned filing.

### Objection 1

- HPCS-Homeowners Premium Comparison Survey (Supporting Document)

Comment:

Form HPCS must be submitted in Excel spreadsheet format. Companies may not change the form in any way or include formulas.

### Objection 2

- NAIC loss cost data entry document (Supporting Document)
- Transmittal Document (Supporting Document)
- Rate Filing Schedule (Supporting Document)

Comment: The rate change percentages on these three documents do not agree. Please explain.

### Objection 3

- Homeowner Filing Exhibits (Supporting Document)

Comment: Revised manual pages still show factors for PPC 11. Please explain since ISO does not provide a class 11.

### Objection 4

- Homeowner Filing Exhibits (Supporting Document)

Comment: Provide the loss experience to support the new financial responsibility factors. Only the earned exposures/premiums were provided.

Please feel free to contact me if you have questions.

In accordance with Regulation 23, Section 7.A., this filing may not be implemented until 20 days after the requested amendment(s) and/or information is received.

Sincerely,

Becky Harrington

SERFF Tracking Number: NWPC-126053050 State: Arkansas  
Filing Company: Nationwide Mutual Fire Insurance Company. State Tracking Number: EFT \$100  
Company Tracking Number: 09H-6177AR-JM  
TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations  
Product Name: Homeowners  
Project Name/Number: Arkansas Homeowners/09H-6177AR-JM

## Response Letter

Response Letter Status Submitted to State  
Response Letter Date 03/19/2009  
Submitted Date 03/19/2009

Dear Becky Harrington,

### Comments:

Please find herein our response and revised homeowner manual pages addressing the concerns expressed in your March 11, 2009 response to the Nationwide Mutual Fire Insurance Company rate revision filing NWPC-126053050. Please disregard the formal Arkansas Response to Insurance Department Questions document attached in the Supporting Documents section since all the responses have been pasted into the comments section below.

### Response 1

Comments: We apologize for the confusion. The rate changes described in the NAIC loss cost data entry document are limited to the indicated and requested policy form changes only. They do not include the effect on earthquake coverage. The Transmittal Document describes in section 21, Filing Memorandum, first paragraph, the overall premium level increase of 8.5 percent which does include the total premium impact for Homeowners, Tenants and Condominium policy forms as well as the earthquake premium change for those forms. The Rate Filing Schedule, in section 4a, also includes the overall requested premium increase of 8.5 percent. The overall indicated percent change was 13.6 percent. Balancing our rate need with our desire for rate stability we have requested only an 8.5 percent increase. We have revised the Changes By Policy Form section of the Memorandum found in the Revised Form F 777 (attached in the Supporting Documents section) to further clarify the origin of the different rate level percentage changes. Also please refer to Exhibit 1 of the original filing for a more detailed description of the origin of the percents in question.

### Related Objection 1

Applies To:

- NAIC loss cost data entry document (Supporting Document)
- Transmittal Document (Supporting Document)
- Rate Filing Schedule (Supporting Document)

Comment:

The rate change percentages on these three documents do not agree. Please explain.

### Changed Items:

#### Supporting Document Schedule Item Changes

Satisfied -Name: Transmittal Document

SERFF Tracking Number: NWPC-126053050 State: Arkansas  
Filing Company: Nationwide Mutual Fire Insurance Company. State Tracking Number: EFT \$100  
Company Tracking Number: 09H-6177AR-JM  
TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations  
Product Name: Homeowners  
Project Name/Number: Arkansas Homeowners/09H-6177AR-JM

Comment: The Attached Form F 777 contains the filing memorandum providing details of our filing.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

## Response 2

Comments: Per your instructions, we have attached the HPCS – Homeowners Premium Comparison Survey in Excel format in the Supporting Documents section.

### Related Objection 1

Applies To:

- HPCS-Homeowners Premium Comparison Survey (Supporting Document)

Comment:

Form HPCS must be submitted in Excel spreadsheet format. Companies may not change the form in any way or include formulas.

### Changed Items:

#### Supporting Document Schedule Item Changes

Satisfied -Name: HPCS-Homeowners Premium Comparison Survey

Comment: HPCS Attachment Included

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

## Response 3

Comments: Thank you for bringing this point to our attention. We no longer use Protection Class 11 and have included with this response revised marked up Homeowners manual pages to reflect that fact. Please see Revised Insert B for Homeowners page H-13 to 15, and marked up pages H-17 and H-18 to 400 for details.

### Related Objection 1

Applies To:

- Homeowner Filing Exhibits (Supporting Document)

Comment:

Revised manual pages still show factors for PPC 11. Please explain since ISO does not provide a class 11.



SERFF Tracking Number: NWPC-126053050 State: Arkansas  
Filing Company: Nationwide Mutual Fire Insurance Company. State Tracking Number: EFT \$100  
Company Tracking Number: 09H-6177AR-JM  
TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations  
Product Name: Homeowners  
Project Name/Number: Arkansas Homeowners/09H-6177AR-JM

**Changed Items:**

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

**Response 4**

Comments: Please refer to Exhibit A attached in the Supporting Documents section for detailed loss experience. To increase the credibility of the data we compiled loss and premium information for the states listed in column (6) of the exhibit. The states listed were chosen because their Financial Responsibility Class (FRC) structure is similar to Arkansas's. From the total loss and premium data we calculated loss ratios (column 4) and relativities (column 5) based on the total average loss ratio. Please note that the loss ratio for the FRC group (18-21) (located at the bottom of the exhibit) is 12 percent higher than the average loss ratio for all states. To promote rate stability, we are only requesting a 5 percent increase in the 18 to 21 Financial Responsibility Class factors.

**Related Objection 1**

Applies To:

- Homeowner Filing Exhibits (Supporting Document)

Comment:

Provide the loss experience to support the new financial responsibility factors. Only the earned exposures/premiums were provided.

**Changed Items:**

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

We are very appreciative of your questions. If I may assist you in any way, please feel free to contact me at (614) 249-6647 or at (800) 882-2822, extension 96647, with any questions. You may also reach me via facsimile at (614) 249-5113 or via e-mail at mesaroj@nationwide.com.

Sincerely,

<i>SERFF Tracking Number:</i>	<i>NWPC-126053050</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>Nationwide Mutual Fire Insurance Company.</i>	<i>State Tracking Number:</i>	<i>EFT \$100</i>
<i>Company Tracking Number:</i>	<i>09H-6177AR-JM</i>		
<i>TOI:</i>	<i>04.0 Homeowners</i>	<i>Sub-TOI:</i>	<i>04.0000 Homeowners Sub-TOI Combinations</i>
<i>Product Name:</i>	<i>Homeowners</i>		
<i>Project Name/Number:</i>	<i>Arkansas Homeowners/09H-6177AR-JM</i>		

**Filings F**

SERFF Tracking Number: NWPC-126053050 State: Arkansas  
Filing Company: Nationwide Mutual Fire Insurance Company. State Tracking Number: EFT \$100  
Company Tracking Number: 09H-6177AR-JM  
TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations  
Product Name: Homeowners  
Project Name/Number: Arkansas Homeowners/09H-6177AR-JM

## **Amendment Letter**

Amendment Date:

Submitted Date: 03/20/2009

### **Comments:**

Dear Becky Harrington,

I do apologize for this misunderstanding. For your convenience the response document and supporting exhibits are attached below. They may also be viewed under the Supporting Documents tab. I was unable to attach the Revised Form F777 below, that form may be viewed under the Supporting Documents tab. Please let me know if you still can not view these documents.

Thank you.

Joe Mesaros

### **Changed Items:**

#### **Supporting Document Schedule Item Changes:**

#### **User Added -Name: HO Manual Pages**

Comment: Attached are the marked-up homeowner manual pages.

Revised AR HO Marked Up Manual Pages.PDF

#### **User Added -Name: Response to Objections**

Comment: Please see attached document for details of Nationwide's response to the objections.

Response to Arkansas Insurance Department Questions.pdf

#### **User Added -Name: Exhibit A**

Comment: Exhibit A provides loss experience relating to Objection 4

Exhibit A.pdf

*SERFF Tracking Number:*      *NWPC-126053050*      *State:*      *Arkansas*  
*Filing Company:*      *Nationwide Mutual Fire Insurance Company.*      *State Tracking Number:*      *EFT \$100*  
*Company Tracking Number:*      *09H-6177AR-JM*  
*TOI:*      *04.0 Homeowners*      *Sub-TOI:*      *04.0000 Homeowners Sub-TOI Combinations*  
*Product Name:*      *Homeowners*  
*Project Name/Number:*      *Arkansas Homeowners/09H-6177AR-JM*

**Note To Filer**

**Created By:**

Becky Harrington on 03/20/2009 08:15 AM

**Last Edited By:**

Becky Harrington

**Submitted On:**

03/20/2009 11:34 AM

**Subject:**

Revised Pages

**Comments:**

The revised pages and additional exhibits were not attached.

SERFF Tracking Number: NWPC-126053050 State: Arkansas  
Filing Company: Nationwide Mutual Fire Insurance Company. State Tracking Number: EFT \$100  
Company Tracking Number: 09H-6177AR-JM  
TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations  
Product Name: Homeowners  
Project Name/Number: Arkansas Homeowners/09H-6177AR-JM

## Supporting Document Schedules

**Review Status:**  
**Satisfied -Name:** H-1 Homeowners Abstract Filed 03/20/2009  
**Comments:**  
Form F503AR Attached  
**Attachment:**  
F503AR.PDF

**Review Status:**  
**Satisfied -Name:** NAIC loss cost data entry document Filed 03/20/2009  
**Comments:**  
RF-1 Attachment Included  
**Attachment:**  
AR RF-1 Rate Filing Abstract.pdf

**Review Status:**  
**Satisfied -Name:** Transmittal Document Filed 03/20/2009  
**Comments:**  
The Attached Form F 777 contains the filing memorandum providing details of our filing.  
**Attachment:**  
Revised AR Form F 777.PDF

**Review Status:**  
**Satisfied -Name:** Rate Filing Schedule Filed 03/20/2009  
**Comments:**  
Form F779 Attached  
**Attachment:**  
F779\_AR.pdf

**Review Status:**  
**Satisfied -Name:** Financial Needs Model Filed 03/20/2009  
**Comments:**  
The Nationwide Homeowners Financial Needs Model is attached

<i>SERFF Tracking Number:</i>	<i>NWPC-126053050</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>Nationwide Mutual Fire Insurance Company.</i>	<i>State Tracking Number:</i>	<i>EFT \$100</i>
<i>Company Tracking Number:</i>	<i>09H-6177AR-JM</i>		
<i>TOI:</i>	<i>04.0 Homeowners</i>	<i>Sub-TOI:</i>	<i>04.0000 Homeowners Sub-TOI Combinations</i>
<i>Product Name:</i>	<i>Homeowners</i>		
<i>Project Name/Number:</i>	<i>Arkansas Homeowners/09H-6177AR-JM</i>		

**Attachment:**

Financial Needs Exhibit.pdf

SERFF Tracking Number: NWPC-126053050 State: Arkansas  
Filing Company: Nationwide Mutual Fire Insurance Company. State Tracking Number: EFT \$100  
Company Tracking Number: 09H-6177AR-JM  
TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations  
Product Name: Homeowners  
Project Name/Number: Arkansas Homeowners/09H-6177AR-JM

**Review Status:**

**Satisfied -Name:** HO Manual Pages **Filed** 03/20/2009

**Comments:**

Attached are the marked-up homeowner manual pages.

**Attachment:**

Revised AR HO Marked Up Manual Pages.PDF

**Review Status:**

**Satisfied -Name:** MH Manual Pages **Filed** 03/20/2009

**Comments:**

Attached is the marked-up Mobile Homeowners manual page.

**Attachment:**

AR Marked-UP MH Manual Page.PDF

**Review Status:**

**Satisfied -Name:** Homeowner Filing Exhibits **Filed** 03/20/2009

**Comments:**

Attached below are the supporting exhibits for the Homeowners Filing

**Attachment:**

AR Homeowner Filing Exhibits.pdf

**Review Status:**

**Satisfied -Name:** Response to Objections **Filed** 03/20/2009

**Comments:**

Please see attached document for details of Nationwide's response to the objections.

**Attachment:**

Response to Arkansas Insurance Department Questions.pdf

**Review Status:**

**Satisfied -Name:** Exhibit A **Filed** 03/20/2009

**Comments:**

Exhibit A provides loss experience relating to Objection 4

**Attachment:**

Exhibit A.pdf

**ARKANSAS INSURANCE DEPARTMENT**  
**FORM H-1 HOMEOWNERS ABSTRACT**

**INSTRUCTIONS:** All questions must be answered. If the answer is "none" or "not applicable", so state. If all questions are not answered, the filing will not be accepted for review by the Department. Use a separate abstract for each Company if filing for a group. Subsequent homeowners rate/rule submissions that do not alter the information contained herein need not include this form.

Company Name Nationwide Mutual Fire Insurance Company

NAIC No. 23779

GROUP No. 140

1. If you have had an insurance to value campaign during the experience filing period, describe the campaign and estimate its impact.

The company has continued with its Home Care initiative, where employees review insured properties for review of adequate insurance to value and the identification of hazards. Customers are encouraged to remediate hazardous conditions that are identified. During 2007, 2602 properties were inspected before renewal and 1834 of them have seen their ITV percentage increased. The average increase in the ITV was 20 percent.

2. If you use a cost estimator (or some similar method) in order to make sure that dwellings (or contents) are insured at their value, state when this program was started in Arkansas and estimate its impact.

We have used a cost estimator for dwelling for approximately 25 years. We moved to a component based tool provided by Marshall-Swift/Boeckh in 2002, which we believe improves the accuracy of the insurance to value calculation, which protects our customers in the event of a loss. As noted in the answer to question #1, some homes experienced an increase.

3. If you require a minimum relationship between the amount of insurance to be written and the replacement value of the dwelling (contents) in order to purchase insurance, describe the procedures that are used.

For dwellings, we require a minimum 40 percent amount of insurance to reconstruction amount. The customer has the option of insuring the dwelling at 40 percent to 100 percent of the reconstruction cost. This decision is made by the customer after a reconstruction amount is determined by a representative of our company. Insuring at less than 100 percent of the reconstruction cost does not provide for the customer to choose our replacement cost plus coverage option, which provides for an additional 25 percent of the dwelling coverage amount to be available in the event of a loss.

4. If you use an Inflation Guard form or similar type of coverage, describe the coverage(s) and estimate the impact.
- We do use inflation guard protection, which adjusts the dwelling coverage in accordance with indexes provided by Marshall-Swift/Boeckh. The current average annual adjustment is in the one to two percent range.

5. Specify the percentage given for credits or discounts for the following:

- |                      |                             |
|----------------------|-----------------------------|
| a. Fire Extinguisher | <u>5, 7, 10, 15 %</u>       |
| b. Burglar Alarm     | <u>2, 4, 5, 7, 10, 15 %</u> |
| c. Smoke Alarm       | <u>2, 4, 5, 7, 10, 15%</u>  |



- d. Insured who has both homeowners  
and auto with your company 20 %
- e. Deadbolt Locks 5, 7, 10, 15 %
- f. Window or Door Locks 0 %
- g. Other (Specify) \_\_\_\_\_ %

6. Are there any areas in the State of Arkansas in which your company will not write homeowners insurance?

We do not write insurance for those homes defined to be in ISO Protection Class 10.

If so, state areas and explain reason for not writing These areas are unprotected.

7. Specify the form(s) utilized in writing homeowner insurance. Indicate the Arkansas premium volume for each form.

<u>FORM</u>	<u>PREMIUM VOLUME</u>
Homeowners (HO-3)	\$24,370,478
Tenants (HO-4)	\$455,120
Condominium (HO-6)	\$94,878
Mobile Homeowners (HO-7)	\$334,595

8. Do you write homeowner risks which have aluminum, steel or vinyl siding? Yes

9. Is there a surcharge on risks with wood heat? Yes

If yes, state surcharge 5%

Does the surcharge apply to conventional fire places? No

If yes, state surcharge \_\_\_\_\_

THE INFORMATION PROVIDED IS CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

Joseph A. Mesaros  
Signature

Joseph A. Mesaros

Printed Name

Sr. Pricing Analyst

Title

614-249-6647

Telephone Number

mesaroj@nationwide.com

Email Address

# NAIC LOSS COST DATA ENTRY DOCUMENT

1.	This filing transmittal is part of Company Tracking #	09H-6177AR-JM

2.	If filing is an adoption of an advisory organization loss cost filing, give name of Advisory Organization and Reference/ Item Filing Number	N/A
----	---	-----

	Company Name		Company NAIC Number
3.	A.	Nationwide Mutual Fire Insurance Company	B. 23779

	Product Coding Matrix Line of Business (i.e., Type of Insurance)		Product Coding Matrix Line of Insurance (i.e., Sub-type of Insurance)
4.	A.	Homeowners	B.

(A) COVERAGE (See Instructions)	(B) Indicated % Rate Level Change	(C) Requested % Rate Level Change	FOR LOSS COSTS ONLY				
			(D) Expected Loss Ratio	(E) Loss Cost Modification Factor	(F) Selected Loss Cost Multiplier	(G) Expense Constant (If Applicable)	(H) Co. Current Loss Cost Multiplier
Homeowners	9.8%	8.6%					
Tenants	-14.0%	0.0%					
Condominium	-7.1%	0.0%					
Mobile Homeowners	2.0%	0.0%					
TOTAL OVERALL EFFECT	9.3%	8.3%					

6. 5 Year History Rate Change History							
Year	Policy Count	% of Change	Effective Date	State Earned Premium (000)	Incurred Losses (000)	State Loss Ratio	Countrywide Loss Ratio
2007	28,937	7.0%	08/23/2008	23,566	18,448	78.3%	46.1%
2007	28,937	4.8%	02/16/2008	23,566	18,448	78.3%	46.1%
2007	28,937	6.7%	07/15/2007	23,566	18,448	78.3%	46.1%
2005	28,079	0.1%	10/01/2005	22,853	12,388	54.2%	58.7%
2004	26,887	0.4%	10/01/2004	20,127	10,333	51.3%	70.1%

7.	
Expense Constants	Selected Provisions
A. Total Production Expense	15.3%
B. General Expense	9.2%
C. Taxes, License & Fees	3.2%
D. Underwriting Profit & Contingencies	10.0%
E. Other (explain)	
F. TOTAL	37.7%

8. N Apply Lost Cost Factors to Future filings? (Y or N)
9. 21.4 Estimated Maximum Rate Increase for any Insured (%). Territory (if applicable): \_\_\_\_\_  
HO-3, All Mono-line Policies
10. 0 Estimated Maximum Rate Decrease for any Insured (%) Territory (if applicable): \_\_\_\_\_

HO-8, All Multi-line Policies

## Property &amp; Casualty Transmittal Document

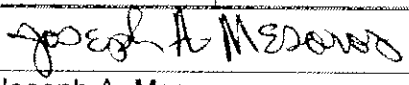
<b>1. Reserved for Insurance Dept. Use Only</b>	<b>2. Insurance Department Use only</b>	
	a. Date the filing is received:	
	b. Analyst:	
	c. Disposition:	
	d. Date of disposition of the filing:	
	e. Effective date of filing:	
	New Business	
	Renewal Business	
	f. State Filing #:	
	g. SERFF Filing #:	
h. Subject Codes		

<b>3. Group Name</b>	<b>Group NAIC #</b>
Nationwide Insurance Companies	140

4. Company Name(s)	Domicile	NAIC #	FEIN #	State #
Nationwide Mutual Fire Insurance Company	OH	23779	31-4177110	03

<b>5. Company Tracking Number</b>	<b>09H-6177AR-JM</b>
-----------------------------------	----------------------

## Contact Info of Filer(s) or Corporate Officer(s) [include toll-free number]

6. Name and address	Title	Telephone #s	FAX #	e-mail
Joseph A. Mesaros One Nationwide Plaza 01-19-18 Columbus, OH 43215	Sr. Pricing Analyst	(800)882-2822 Ext. 96647	(614)249-5113	mesaroj@nationwide.com
7. Signature of authorized filer				
8. Please print name of authorized filer		Joseph A. Mesaros		

## Filing information (see General Instructions for descriptions of these fields)

9. Type of Insurance (TOI)	Homeowners
10. Sub-Type of Insurance (Sub-TOI)	Homeowners Sub-TOI Combinations
11. State Specific Product code(s) (if applicable)[See State Specific Requirements]	NA

<b>12. Company Program Title</b> (Marketing title)	NA
<b>13. Filing Type</b>	<input type="checkbox"/> Rate/Loss Cost <input type="checkbox"/> Rules <input checked="" type="checkbox"/> Rates/Rules <input type="checkbox"/> Forms <input type="checkbox"/> Combination Rates/Rules/Forms <input type="checkbox"/> Withdrawal <input type="checkbox"/> Other (give description)
<b>14. Effective Date(s) Requested</b>	New: 8/18/2009                      Renewal: 8/18/2009
<b>15. Reference Filing?</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>16. Reference Organization</b> (if applicable)	
<b>17. Reference Organization # &amp; Title</b>	
<b>18. Company's Date of Filing</b>	
<b>19. Status of filing in domicile</b>	<input checked="" type="checkbox"/> Not Filed <input type="checkbox"/> Pending <input type="checkbox"/> Authorized <input type="checkbox"/> Disapproved

### Property & Casualty Transmittal Document—

<b>20. This filing transmittal is part of Company Tracking #</b>	<b>09H-6177AR-JM</b>
--	----------------------

<b>21. Filing Description</b> [This area can be used in lieu of a cover letter or filing memorandum and is free-form text]
--

#### FILING MEMORANDUM

Outlined herein are the details and supporting data relating to the changes in Homeowners rates.

#### STATEWIDE CHANGE

The indication developed in this filing for all policy forms combined is based on an assumed effective date of August 18, 2009. Exhibit II shows five years of homeowners experience ending September 30, 2008, evaluated as of December 31, 2008, by form for the Nationwide Mutual Fire Insurance Company. Exhibit I shows the indicated rate changes as well as our proposed rate changes by policy forms. The effect of all the changes for all policy forms is a statewide premium level increase of 8.5 percent.

In the prior review we increased base rates for the homeowners form by 7.0 percent with the revision effective August 23, 2008. The indicated rate need for the homeowners form at that time was 13.7 percent. We did raise the rate for tenants and condominiums by 10% with the last rate review.

#### Earned Premium

We have adjusted the earned premiums on Exhibit II, row (1), to current rate level. They are further modified by the premium projection factors shown in row (2). These factors reflect past and anticipated future increases in the average amount of insurance, deductible, and territory relativities.

#### Accident Year Losses

The following adjustments to losses are summarized in rows (4) through (15) of Exhibit II:

1. The actual losses have been adjusted to ultimate accident year costs. We removed losses greater than \$140,000 for the Homeowners policy form. The losses were developed; then, the large losses were added back into the estimated ultimate losses.

The ultimate losses represent the ultimate cost expected when all claims are finally closed. Row (4) of Exhibit II shows the estimated ultimate accident year loss costs for all non-weather causes combined.

2. The loss cost projection factors, shown in row (5) of Exhibit II, reflect changes that have occurred in average loss costs levels from the midpoint of each year to the present. They also reflect the change anticipated from the present to the future average claim date, assuming an effective date of August 18, 2009. Exhibit IV reflects the determination of the non-weather loss projection factors. Row (11) shows the projected estimated ultimate loss costs. Exhibit VI shows the Arkansas and Companywide paid loss trend data for all four policy forms.

3. The calendar year weather losses are decomposed into their frequency and severity components. The average long-term frequency is calculated after adjusting for outlying annual frequencies. This average

frequency is used as the estimate of the expected weather frequency in the prospective period. The projected weather severity is calculated as the average of the projected weather severities for each year after adjusting for outlying yearly severities. The severity for each calendar year is projected to the prospective period using the selected severity trend. The loss trend for homeowners does not include hurricane losses and is divided into wind and hail and other weather. The weather loss trends for tenants, condominiums and mobile homes do not split wind and hail from other weather. The weather severity loss trends can be viewed in Exhibits VII and VIII.

The expected frequency and severity are used to calculate the expected weather pure premium for the prospective period, also shown on Exhibits VII and VIII. The expected weather pure premium is multiplied by a provision for allocated loss adjustment expenses. This adjusted weather pure premium determines the expected future weather losses and allocated loss adjustment expenses for each experience year in the calculation of the indicated rate level. The projected weather losses are shown in row (8) of Exhibit II.

4. The estimated loss ratios in row (12) of Exhibit II are calculated as the ratio of the projected estimated ultimate loss costs in row (11) of Exhibit II to the projected current level earned premium in row (3) of Exhibit II, and then are averaged, with greater weight given to the more recent years to be responsive to changes in the portfolio or loss climate.

#### Projected Expense Adjustments

Fixed Expenses, which include General Expense, Other Acquisition, and Unallocated Loss Adjustment, are calculated as a percentage of projected current-levelled earned premium.

#### **Fixed Expenses**

<b>Homeowners</b>	<b>15.3%</b>
<b>Tenants</b>	<b>26.9%</b>
<b>Condominium</b>	<b>21.1%</b>
<b>Mobile Homeowners</b>	<b>15.6%</b>

The average projected fixed expense is exposure-weighted across all five years as shown on Exhibit II, row (18).

#### Permissible Loss, Loss Adjustment, and Fixed Expense Ratio

The 61.8 percent permissible loss, loss adjustment, and fixed expense ratio is derived using the components of the variable expense ratio of 28.2 percent, which includes the average commission and brokerage ratio for all agency states, the state premium tax rate, plus an allowance for miscellaneous taxes, licenses, and fees based on Companywide data.

Permissible Loss, Loss Adjustment, and Fixed Expense Ratio  
(100% - Variable Expenses - 10% Profit Provision) = 61.8 percent

Exhibit XIII is the Companies' Financial Needs Model, which demonstrates the need for a 10.0 percent loading for underwriting gain and contingencies, considering total investment income from all sources.

#### **CHANGES BY POLICY FORM**

The table below shows a summary of the proposed rate level and earthquake changes by policy form:

<u>Policy Form</u>	<u>Rate Level</u>	<u>Rate Level and Earthquake</u>
Homeowners	8.6%	8.8%
Tenants	0.0%	0.1%
Condominiums	0.0%	0.4%
Mobile Homes	0.0%	0.0%
<b>Total</b>	<b>8.3%</b>	<b>8.5%</b>

**Base Rates**

We are revising base rates for Homeowners, Tenants, and Condominiums forms as reflected on draft manual pages H-13, H-17, and H-18.

**Financial Responsibility Rating Factor**

We are revising Financial Responsibility Class (FRC) factors for homeowners, tenants, and condominiums forms. Draft manual page H-407 reflects this change.

**Property Protection Classification**

We are removing the deviations from ISO protection class definitions. In addition, we are revising the protection class factors for the dwelling form only. See draft manual pages H- 3 to 10 and H-13 to 15 for details.

**Earthquake Factors and Deductible**

We are implementing a 15% earthquake deductible in addition to the 5% and 10% deductibles that are currently available. We are making the 15% earthquake deductible mandatory in earthquake zones one and two. The mandatory 15% deductible for zones one and two will apply to Homeowners, Tenants, Condominium, and Mobile Homeowner forms. The associated revised earthquake rates may be viewed on draft manual pages H-416 to H-419 and MH – 53.

**Safe Home Rating Plan**

We are implementing a claims threshold exception rule for the Homeowner, Tenants, and Condominium policy forms. See draft manual page H-407 for details.

**Associate Discount**

As a companywide initiative, we are implementing an associate discount for all Homeowner, Tenant, and Condominium policy holders that are also a current or retired employee of a Nationwide affiliated company. See draft manual page H-408 to 410 for details.

**Miscellaneous Editorial Changes**

We are making miscellaneous editorial changes associated with the aforementioned changes.

- |     |   |
|-----|---|
| 22. | <b>Filing Fees</b> (Filer must provide check # and fee amount if applicable)                        |
|     | [If a state requires you to show how you calculated your filing fees, place that calculation below] |

**Check #:** NA (Will pay by EFT)  
**Amount:** \$100

**Refer to each state's checklist for additional state specific requirements or instructions on calculating fees.**

**\*\*\*Refer to the each state's checklist for additional state specific requirements (i.e. # of additional copies required, other state specific forms, etc.)**

**RATE/RULE FILING SCHEDULE**

(This form must be provided ONLY when making a filing that includes rate-related items such as Rate; Rule; Rate & Rule; Reference; Loss Cost; Loss Cost & Rule or Rate, etc.)

(Do not refer to the body of the filing for the component/exhibit listing, unless allowed by state.)

<b>1.</b>	<b>This filing transmittal is part of Company Tracking #</b>	<b>09H-6177AR-JM</b>
-----------	--	----------------------

<b>2.</b>	<b>This filing corresponds to form filing number</b> (Company tracking number of form filing, if applicable)	NA
-----------	---	----

☒ Rate Increase      ☐ Rate Decrease      ☐ Rate Neutral (0%)

<b>3.</b>	<b>Filing Method (Prior Approval, File &amp; Use, Flex Band, etc.)</b>	<b>Prior Approval</b>
-----------	--	-----------------------

<b>4a.</b>	<b>Rate Change by Company (As Proposed)</b>						
------------	---	--	--	--	--	--	--

Company Name	Overall % Indicated Change (when applicable)	Overall % Rate Impact	Written premium change for this program	# of policyholders affected for this program	Written premium for this program	Maximum % Change (where required)	Minimum % Change (where required)
Nationwide Mutual Fire Insurance Company	13.6	8.5	2,366,673	28,058	27,843,212		

<b>4b.</b>	<b>Rate Change by Company (As Accepted) For State Use Only</b>						
------------	--	--	--	--	--	--	--

Company Name	Overall % Indicated Change (when applicable)	Overall % Rate Impact	Written premium change for this program	# of policyholders affected for this program	Written premium for this program	Maximum % Change (where required)	Minimum % Change (where required)

<b>Overall Rate Information (Complete for Multiple Company Filings only)</b>			
--	--	--	--

		COMPANY USE	STATE USE
<b>5a.</b>	<b>Overall percentage rate indication (when applicable)</b>		
<b>5b.</b>	<b>Overall percentage rate impact for this filing</b>		
<b>5c.</b>	<b>Effect of Rate Filing – Written premium change for this program</b>		
<b>5d.</b>	<b>Effect of Rate Filing – Number of policyholders affected</b>		

<b>6.</b>	<b>Overall percentage of last rate revision</b>	<b>7.0%</b>
-----------	---	-------------

<b>7.</b>	<b>Effective Date of last rate revision</b>	<b>August 23, 2008</b>
-----------	---	------------------------

<b>8.</b>	<b>Filing Method of Last filing (Prior Approval, File &amp; Use, Flex Band, etc.)</b>	<b>Prior Approval</b>
-----------	---	-----------------------

<b>9.</b>	<b>Rule # or Page # Submitted for Review</b>	<b>Replacement or Withdrawn?</b>	<b>Previous state filing number, if required by state</b>
01	H-3 to 10, H-13 to 15, H-17, H- 18 to 400, DF-PC-1, DF-PC-2, DF-PC-3 to 10	<input type="checkbox"/> New <input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	
02	H-407, H-408 to 410,	<input type="checkbox"/> New <input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	
03	H-416, H-417,H-418, H-419, MH-53,	<input type="checkbox"/> New <input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	



## Nationwide Mutual and Affiliated Insurance Companies

### Financial Needs Model

#### Underwriting Profit Provision Support

#### Homeowners

The required underwriting profit provision used in this filing's rate level analysis was developed using an internal rate of return model that incorporates the estimated timing of premium receipts, loss payments, expense payments and other underwriting components. This model simulates a single insurance transaction (Premium = \$100.00) and its related assets flow and determines the required underwriting profit provision that would result in the desired rate of return on the surplus that supports the transaction.

The underlying surplus supporting the transaction at any given point in time is a function of the insurance reserves being held. Also, if the cash balance is insufficient to offset the insurance liabilities less receivables, additional surplus is committed to fund these reserves.

In addition to the historical payout patterns and expense provisions, the model reflects the following assumptions:

Desired Rate of Return:	15.0 %
Equity Allocated to Line of Business Using Premium to Surplus Ratio:	1.07 to 1.00
Reserve to Premium Ratio:	0.85 to 1.00
Investment Yield – Single Rate Equivalent:	6.00 %
Portion of Assets Available for Investments:	93.0 %
Federal Tax Rate:	35.0 %

Page 2 of this exhibit displays the cash flow resulting from these assumptions. The model derives an underwriting profit of \$13.99 (sum the net underwriting flow across all time periods) in order to achieve the desired rate of return. Page 3 provides the model's required assets (sum of reserve and surplus requirements) as well as the available assets (sum of receivables and cash balance from insurance operations). If the available assets are not sufficient to offset the required assets, additional assets (from surplus) must be infused to support the transaction. Page 4 displays the assets flow (negative values indicate flow to insurance operations while positive values indicate flow back to surplus). The total asset flow is then discounted at the desired rate of return, and the resulting sum of the discounted asset flow is \$0.00. Thus, an underwriting profit provision of 13.99 percent (\$13.99/\$100.00) is expected to achieve a 15.0 percent rate of return.

For this filing, we have selected to use a 10.0 underwriting profit provision which results in a 12.2 percent return on surplus.

## Nationwide Mutual and Affiliated Insurance Companies

## Homeowners

## Cash Flow Related to Insurance Operations

Months from Policy Inception	Cash Flow				Actual Cash Balance	Excess Cash Flow	Adjusted Cash Balance
	Net Underwriting	Investment Income	Federal Income Tax	Total			
-1	(0.11)	0.00	0.00	(0.11)	0.00	0.00	0.00
0	61.65	0.00	4.28	65.93	65.93	0.00	65.93
3	(7.59)	2.42	(3.45)	(8.63)	57.31	0.00	57.31
6	(0.63)	1.99	(3.11)	(1.75)	55.56	0.00	55.56
9	(14.18)	1.58	(2.91)	(15.51)	40.04	0.00	40.04
12	(11.68)	0.96	(2.67)	(13.38)	26.66	0.00	26.66
15	(5.74)	0.46	(0.03)	(5.31)	21.35	4.62	16.73
18	(2.18)	0.27	0.02	(1.90)	14.83	2.76	12.07
21	(1.19)	0.19	(0.01)	(1.00)	11.07	1.56	9.51
24	(0.81)	0.15	(0.01)	(0.67)	8.84	1.08	7.76
27	(0.49)	0.14	(0.02)	(0.37)	7.40	0.70	6.69
30	(0.36)	0.12	(0.03)	(0.26)	6.43	0.52	5.91
33	(0.33)	0.11	(0.02)	(0.24)	5.66	0.50	5.16
36	(0.26)	0.10	(0.02)	(0.18)	4.98	0.39	4.59
39	(0.21)	0.09	(0.05)	(0.17)	4.42	0.29	4.12
42	(0.21)	0.08	(0.01)	(0.15)	3.98	0.31	3.66
45	(0.18)	0.07	(0.01)	(0.12)	3.54	0.27	3.27
48	(0.16)	0.06	(0.01)	(0.11)	3.16	0.25	2.91
51	(0.13)	0.06	0.00	(0.07)	2.85	0.22	2.63
54	(0.14)	0.05	(0.01)	(0.10)	2.53	0.21	2.32
57	(0.12)	0.05	(0.01)	(0.08)	2.23	0.18	2.05
60	(0.11)	0.04	(0.01)	(0.07)	1.98	0.17	1.81
72	(0.34)	0.16	(0.04)	(0.22)	1.59	0.51	1.08
84	(0.24)	0.10	(0.02)	(0.16)	0.92	0.35	0.56
96	(0.08)	0.05	(0.01)	(0.04)	0.53	0.13	0.39
108	(0.07)	0.04	(0.01)	(0.04)	0.35	0.11	0.24
120	(0.04)	0.02	(0.01)	(0.02)	0.22	0.06	0.16
132	(0.03)	0.01	(0.00)	(0.02)	0.14	0.05	0.09
144	(0.02)	0.01	(0.00)	(0.02)	0.07	0.03	0.04
156	(0.01)	0.00	(0.00)	(0.01)	0.03	0.02	0.01
168	(0.00)	0.00	(0.00)	(0.00)	0.01	0.00	0.01
180	(0.00)	0.00	(0.00)	(0.00)	0.01	0.00	0.00
192	(0.00)	0.00	(0.00)	0.00	0.00	0.00	0.00
204	(0.00)	0.00	(0.00)	(0.00)	0.00	0.00	0.00
216	(0.00)	0.00	(0.00)	0.00	0.00	0.00	0.00
228	(0.00)	0.00	(0.00)	(0.00)	0.00	0.00	0.00
240	(0.00)	0.00	(0.00)	0.00	0.00	0.00	0.00
252	(0.00)	0.00	(0.00)	(0.00)	0.00	0.00	0.00
264	(0.00)	0.00	(0.00)	(0.00)	0.00	0.00	0.00
276	(0.00)	0.00	(0.00)	(0.00)	0.00	0.00	0.00
288	(0.00)	0.00	(0.00)	(0.00)	0.00	0.00	0.00
300	0.00	0.00	0.00	0.00	0.00	0.00	0.00
312	0.00	0.00	0.00	0.00	0.00	0.00	0.00
324	0.00	0.00	0.00	0.00	0.00	0.00	0.00
336	0.00	0.00	0.00	0.00	0.00	0.00	0.00
348	0.00	0.00	0.00	0.00	0.00	0.00	0.00
360	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total	13.99	9.38	(8.18)	15.19			

## Homeowners

Months from Policy Inception	Required Assets				Available Assets from Operations			
	Unearned Premium	Loss & LAE	Required Underlying		Premium	Salvage & Subrogation	Required Cash	Assets Prior to
	Reserve	Reserve	Surplus	Total	Receivable	Receivable	Balance	Infusion
-1	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0	100.00	0.00	111.11	211.11	18.98	0.00	65.93	84.92
3	75.00	7.59	91.77	174.36	16.64	0.13	57.31	74.08
6	50.00	10.81	67.57	128.38	3.11	0.24	55.56	58.92
9	25.00	11.81	40.90	77.71	0.80	0.35	40.04	41.19
12	0.00	13.76	15.29	29.06	0.00	0.43	26.66	27.10
15	0.00	8.10	9.00	17.11	0.00	0.38	16.73	17.11
18	0.00	5.88	6.53	12.40	0.00	0.33	12.07	12.40
21	0.00	4.64	5.16	9.80	0.00	0.28	9.51	9.80
24	0.00	3.80	4.22	8.01	0.00	0.25	7.76	8.01
27	0.00	3.28	3.64	6.92	0.00	0.22	6.69	6.92
30	0.00	2.89	3.21	6.11	0.00	0.20	5.91	6.11
33	0.00	2.52	2.80	5.33	0.00	0.16	5.16	5.33
36	0.00	2.24	2.49	4.73	0.00	0.14	4.59	4.73
39	0.00	2.01	2.24	4.25	0.00	0.12	4.12	4.25
42	0.00	1.79	1.99	3.77	0.00	0.11	3.66	3.77
45	0.00	1.60	1.78	3.37	0.00	0.10	3.27	3.37
48	0.00	1.42	1.58	2.99	0.00	0.08	2.91	2.99
51	0.00	1.28	1.42	2.70	0.00	0.07	2.63	2.70
54	0.00	1.13	1.25	2.38	0.00	0.06	2.32	2.38
57	0.00	1.00	1.11	2.11	0.00	0.05	2.05	2.11
60	0.00	0.88	0.98	1.86	0.00	0.04	1.81	1.86
72	0.00	0.53	0.59	1.11	0.00	0.03	1.08	1.11
84	0.00	0.28	0.31	0.58	0.00	0.02	0.56	0.58
96	0.00	0.19	0.21	0.40	0.00	0.01	0.39	0.40
108	0.00	0.12	0.13	0.25	0.00	0.01	0.24	0.25
120	0.00	0.08	0.09	0.16	0.00	0.00	0.16	0.16
132	0.00	0.04	0.05	0.09	0.00	0.00	0.09	0.09
144	0.00	0.02	0.02	0.04	0.00	0.00	0.04	0.04
156	0.00	0.01	0.01	0.01	0.00	0.00	0.01	0.01
168	0.00	0.00	0.00	0.01	0.00	0.00	0.01	0.01
180	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
192	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
204	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
216	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
228	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
240	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
252	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
264	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
276	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
288	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
300	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
312	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
324	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
336	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
348	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
360	0.00	0.00	0.00					

## Nationwide Mutual and Affiliated Insurance Companies

## Homeowners

## Infused and Excess Asset Flows Resulting from Insurance Operations

Months from Policy Inception	Required Assets	Assets Prior to Infusion	Required Infused Assets	Infused Asset Flow	Excess Asset Flow	Total Asset Flow	Discount Factor at 15.0% ROR	Discounted Asset Flow
-1	0.00	0.00	0.00	0.00	(0.11)	(0.11)	1.0117	(0.11)
0	211.11	84.92	126.19	(126.19)	0.00	(126.19)	1.0000	(126.19)
3	174.36	74.08	100.28	25.92	0.00	25.92	0.9657	25.03
6	128.38	58.92	69.47	30.81	0.00	30.81	0.9325	28.73
9	77.71	41.19	36.52	32.94	0.00	32.94	0.9005	29.66
12	29.06	27.10	1.96	34.56	0.00	34.56	0.8696	30.05
15	17.11	17.11	0.00	1.96	4.62	6.58	0.8397	5.53
18	12.40	12.40	0.00	0.00	2.76	2.76	0.8109	2.24
21	9.80	9.80	0.00	0.00	1.56	1.56	0.7830	1.22
24	8.01	8.01	0.00	0.00	1.08	1.08	0.7561	0.82
27	6.92	6.92	0.00	0.00	0.70	0.70	0.7302	0.51
30	6.11	6.11	0.00	0.00	0.52	0.52	0.7051	0.37
33	5.33	5.33	0.00	0.00	0.50	0.50	0.6809	0.34
36	4.73	4.73	0.00	0.00	0.39	0.39	0.6575	0.26
39	4.25	4.25	0.00	0.00	0.29	0.29	0.6349	0.19
42	3.77	3.77	0.00	0.00	0.31	0.31	0.6131	0.19
45	3.37	3.37	0.00	0.00	0.27	0.27	0.5921	0.16
48	2.99	2.99	0.00	0.00	0.25	0.25	0.5718	0.14
51	2.70	2.70	0.00	0.00	0.22	0.22	0.5521	0.12
54	2.38	2.38	0.00	0.00	0.21	0.21	0.5332	0.11
57	2.11	2.11	0.00	0.00	0.18	0.18	0.5149	0.09
60	1.86	1.86	0.00	0.00	0.17	0.17	0.4972	0.08
72	1.11	1.11	0.00	0.00	0.51	0.51	0.4323	0.22
84	0.58	0.58	0.00	0.00	0.35	0.35	0.3759	0.13
96	0.40	0.40	0.00	0.00	0.13	0.13	0.3269	0.04
108	0.25	0.25	0.00	0.00	0.11	0.11	0.2843	0.03
120	0.16	0.16	0.00	0.00	0.06	0.06	0.2472	0.02
132	0.09	0.09	0.00	0.00	0.05	0.05	0.2149	0.01
144	0.04	0.04	0.00	0.00	0.03	0.03	0.1869	0.01
156	0.01	0.01	0.00	0.00	0.02	0.02	0.1625	0.00
168	0.01	0.01	0.00	0.00	0.00	0.00	0.1413	0.00
180	0.00	0.00	0.00	0.00	0.00	0.00	0.1229	0.00
192	0.00	0.00	0.00	0.00	0.00	0.00	0.1069	0.00
204	0.00	0.00	0.00	0.00	0.00	0.00	0.0929	0.00
216	0.00	0.00	0.00	0.00	0.00	0.00	0.0808	0.00
228	0.00	0.00	0.00	0.00	0.00	0.00	0.0703	0.00
240	0.00	0.00	0.00	0.00	0.00	0.00	0.0611	0.00
252	0.00	0.00	0.00	0.00	0.00	0.00	0.0531	0.00
264	0.00	0.00	0.00	0.00	0.00	0.00	0.0462	0.00
276	0.00	0.00	0.00	0.00	0.00	0.00	0.0402	0.00
288	0.00	0.00	0.00	0.00	0.00	0.00	0.0349	0.00
300	0.00	0.00	0.00	0.00	0.00	0.00	0.0304	0.00
312	0.00	0.00	0.00	0.00	0.00	0.00	0.0264	0.00
324	0.00	0.00	0.00	0.00	0.00	0.00	0.0230	0.00
336	0.00	0.00	0.00	0.00	0.00	0.00	0.0200	0.00
348	0.00	0.00	0.00	0.00	0.00	0.00	0.0174	0.00
360	0.00	0.00	0.00	0.00	0.00	0.00	0.0151	0.00
Total				0.00	15.19	15.19		(0.00)

## TABLE OF CONTENTS

Eff. ~~8-23-08~~  
8-18-09

	<u>PAGE</u>
STANDARDS OF INSURABILITY .....	HIS — 1
TERRITORIAL RULES AND RATES	
STEPS TO RATE A HOMEOWNER POLICY .....	1
TERRITORY DEFINITIONS .....	2
FIRE PROTECTION REQUIREMENTS .....	3 to 10
CONSTRUCTION OF DWELLING .....	3 to 10
ROOF CONSTRUCTION .....	3 to 10
POLICY DECLARATIONS .....	3 to 10
STANDARD COVERAGE LIMITS .....	11 to 12
PREMIUM COMPUTATION FOR HOMEOWNER POLICIES	
Base Rate ★ .....	13 to 15
Territory Rating Factors .....	13 to 15
Protection Class/Construction Type Rating Factors .....	13 to 15
Amount of Insurance Rating Factors .....	16
PREMIUM COMPUTATION FOR TENANTS POLICIES	
Base Rate ★ .....	17
Territory Rating Factors .....	17
Protection Class/Number of Families* Rating Factors .....	17
Amount of Insurance Rating Factors .....	17
PREMIUM COMPUTATION FOR CONDOMINIUM POLICIES	
Base Rate ★ .....	18 to 400
Territory Rating Factors .....	18 to 400
Protection Class/Number of Families* Rating Factors .....	18 to 400
Amount of Insurance Rating Factors .....	18 to 400
HOMEOWNER INSTRUCTIONS AND PREMIUM INTERPOLATION TABLES .....	401
CREDITS AND CHARGES	
Insurance to Value Base Premium Adjustment .....	402
Deductible Rating Rule .....	402
Multi-Family Dwellings .....	403
Class Rated Townhouses .....	403
Fire Resistive Construction .....	403
Secondary Locations .....	404
Condominium Rental Charge .....	404
Protective Device Credit Rule .....	404
Age of Construction/Home Renovation — (Homeowner Policy Only) .....	405
Safe Home Rating Plan .....	406
Financial Responsibility Rate Factor ★ .....	407
Supplemental Heating Charge .....	408 to 410
Home and Car Discount .....	408 to 410
ADDITIONAL SECTION I COVERAGES	
Building Additions and Alterations .....	411
Extended Replacement Cost .....	411
Condominium Special Coverage .....	412
Loss Assessment Option N .....	412
Personal Property .....	413
Other Structures .....	413
Loss of Use — Tenants Policy Only .....	413
Fire Department Service Charge .....	413
Theft Coverage Extension — Tenants Policy Only .....	413
Credit Card, Forgery and Counterfeit Money Coverage .....	413
Personal Property Accidental Direct Physical Loss Coverage Options .....	414
Tools Increased Theft Limits Option E .....	414

Nationwide  
Associate  
Discount

## STEPS TO RATE A HOMEOWNER POLICY

EFF. 8-18-09

- A. Determine eligibility and desirability.
- B. Classify
  - 1. Determine the Territory Zone.
  - 2. Determine Fire Protection Class using Fire Protection Requirements.
  - 3. Determine construction — masonry, masonry veneer, or frame.
- C. Determine the amount of coverage (Insuring to Full Replacement Cost is recommended).
- D. Calculate the Base Premium for type of policy desired. If the desired amount of coverage is not shown, follow the Instructions for Interpolation of Policy Amounts.
- E. Apply each of the following rules, if necessary, in this order:
  - 1. Insurance to Value Base Premium Adjustment.
  - 2. Deductible Rating Rule.
  - 3. Multi-Family Dwellings.
  - 4. Class Rated Townhouses.
  - 5. Fire Restrictive Construction.
  - 6. Secondary Locations.
  - 7. Condominium Rental Charge.
  - 8. Protective Device Credit Rule.
  - 9. Premium Credits For Age of Construction and Home Renovation.
- F. Check for other Additional Section I Coverages, Increased Limits, and Personal Liability coverages.
- G. Apply Safe Home Rating Plan Factor.
- H. Apply Financial Responsibility Rate Factor.
- I. Apply Supplemental Heating Surcharge.
- J. Apply **NATIONWIDE ASSOCIATE DISCOUNT**
- ~~K.~~ Apply Home and Car Discount.
- ~~K.L.~~ For applicable endorsements, refer to the buff page headed

**FIRE PROTECTION REQUIREMENTS****INSERT A**

~~Use the Protection Classification Listing shown in the Nationwide Dwelling Fire Portfolio instead of the listings in the ISO Public Protection Classification Manual. Other than the assignment of Protection Class 11, the protection class assigned should be no higher than that assigned by ISO.~~

**CONSTRUCTION OF DWELLING**

- A. **MASONRY** — A dwelling with walls of masonry or masonry veneered construction.
- B. **FRAME** — A dwelling with walls of frame, or metal-sheathed, or stuccoed frame construction, or with walls of metal, or metal lath, and plaster on combustible supports.
- C. **MIXED** — A dwelling is classed as frame construction when the wall area of frame construction (including gables) exceeds 50 percent of the total wall area.  
  
To determine proportions in mixed construction, consider wall areas from average outside ground or street level to roof lines. Include as wall areas a mansard and ends of a gable roof if equivalent to an additional story. Exclude basement wall areas below average ground or street level.
- D. **FIRE RESISTIVE** — Building having walls, partitions, floors, roof, and ceiling assemblies constructed entirely of incombustible materials.

**ROOF CONSTRUCTION**

- A. **APPROVED ROOF** — Includes roof of metal, slate, wooden shingles, tile, asbestos composition shingles, and composition roofing materials.
- B. **UNAPPROVED ROOF** — Includes roofs of boards, rolled roofing, and tar paper. When the roof (other than roofs of open porches) of a dwelling is surfaced with both approved and unapproved materials, the entire roof is classed as "Unapproved."

**POLICY DECLARATIONS**

- A. When a policy is written in accordance with the Fire Protection Requirements, the following instructions apply:
  - 1. Distance from hydrant — Insert on the Declarations the distance in feet from nearest fire hydrant.
  - 2. Distance from fire department — Insert on the Declarations the distance in miles from principal fire department.
- B. **Identification of Premises** — Where there are multiple residences at the same address, the location of the covered premises must be identified on the Declarations by the apartment number, the condominium unit number, or other positive identification.
- C. **Seasonal Dwellings** — Eligible seasonal dwellings must be designated "seasonal" on the Declarations.
- D. **Incidental Occupancy** — For eligible occupancies, designate the type of occupancy on the Declarations.
- E. **Joint Owner, Non-Occupant** — Such eligible Insureds must be designated as Additional Insureds on the Declarations.
- F. **Church Parsonages** — For such eligible dwellings, designate the minister as the Insured and the church as an Additional Insured on the Declarations.

## **Protection Classification Information**

### **Homeowners, Tenants, and Condominium Policies**

1. Use the Protection Classification Listing shown in the ISO Community Mitigation Classification Manual.

A classified area means that area or fire department is listed in the ISO Community Mitigation Classification Manual.

2. Inside Classified Area

Inside city limits or within the limits of recognized fire districts.

- a. Dwellings located within the corporate limits of the municipality or established boundaries of a fire district will be accorded the rating classification of the municipality or district as established. (51)
- b. In a classified area where one or more classifications are indicated (e.g. 6/9) the first class shown applies to properties within five road miles of a responding fire department and within 1,000 feet of a fire hydrant. (52)
- c. In a classified area where two or more classifications are indicated (e.g. 6/9) the second class shown applies to properties within five road miles of a responding fire department but beyond 1,000 feet of a fire hydrant. (53)
- d. Protection Class 10 applies to properties that are beyond five road miles of a responding fire department. (54)

3. Outside Classified Area (Unprotected)

Dwellings for which protection credit is not provided under the rules above shall rate as Class 10. (50)



## PREMIUM COMPUTATION FOR HOMEOWNER POLICIES

## BASE RATE

Eff. 8-23-08

8-18-09

\$1,503.44

## Step (1)

Multiply the base rate of ~~\$1,572.81~~ by the appropriate Territory rating factor from Table A below. Round to the nearest penny.

TABLE A — TERRITORY RATING FACTORS

Rating Territory	Factor
79	0.972
81	0.814
84	0.809
85	0.948
89	0.981
90	0.965
91	0.965
92	0.981
93	1.000
94	0.891
100	0.891
101	1.164
102	1.164
103	1.164
104	1.158
105	1.158
106	1.158
107	1.158
108	1.154
109	0.794
110	0.814
111	0.794
112	0.794
113	0.842
114	0.842
115	0.939
116	0.954
117	0.954
118	0.943
119	0.943
120	0.943
121	0.939
122	0.939

## Step (2)

Multiply the result from Step (1) by the appropriate Protection Class/Type of Construction rating factor in Table B. Round to the nearest penny.

INSERT B

TABLE B —  
PROTECTION CLASS/CONSTRUCTION TYPE  
RATING FACTORS

Protection Class	Entire State		
	MAS	FRM	MSV
02	1.000	1.099	1.000
03	1.000	1.099	1.000
04	1.041	1.177	1.041
05	1.041	1.177	1.041
06	1.177	1.311	1.177
07	1.320	1.458	1.320
08	1.787	2.099	1.787
09	2.265	2.677	2.265
10	3.097	3.794	3.097
11	4.032	4.590	4.032

Arkansas Homeowners  
Revised INSERT B  
H-13 to 15

**TABLE B -  
PROTECTION CLASS/CONSTRUCTION TYPE  
RATING FACTORS**

<b>Protection Class</b>	<b>Entire State</b>		
	<b>MAS</b>	<b>FRM</b>	<b>MSV</b>
02	1.000	1.099	1.000
03	1.000	1.099	1.000
04	1.041	1.177	1.041
05	1.041	1.177	1.041
06	1.177	1.311	1.177
07	1.231	1.402	1.231
08	1.388	1.486	1.388
09	1.838	1.573	1.838
10	3.097	3.794	3.097

## PREMIUM COMPUTATION FOR TENANTS POLICIES

## BASE RATE

Eff. ~~8-23-08~~  
8-18-09

## Step (1)

\$181.85

Multiply the base rate of ~~\$186.61~~ by the appropriate Territory rating factor from Table A below. Round to the nearest penny.

TABLE A — TERRITORY RATING FACTORS

Eff. 10-1-05

Rating Territory	Factor
84, 111, 113	0.962
79, 85, 91, 92, 102, 105, 109, 110, 112, 114, 116, 118	1.000
81, 89, 90, 94, 101, 103, 104, 106, 107, 108, 115, 117, 119, 120-122	1.013
93	1.151

## Step (2)

Multiply the result from Step (1) by the appropriate Protection Class/Number of Families rating factor in Table B. Round to the nearest penny.

TABLE B —  
PROTECTION CLASS/NUMBER OF FAMILIES\*  
RATING FACTORS

Protection Class	Terr: Entire State	
	1 - 4	A/O
02	1.000	1.000
03	1.000	1.000
04	1.000	1.000
05	1.095	1.095
06	1.095	1.095
07	1.248	1.248
08	1.248	1.248
09	1.600	1.600
10	1.600	1.600
11	1.819	1.819

\* 1 - 4: One to four families or fire resistive.

A/O: All other risks.

## Step (3)

Multiply the result from Step (2) by the appropriate Amount of Insurance rating factor from Table C. Interpolation may be used to calculate factors for amounts not shown. See page H — 401 for instructions. Round to the nearest penny, then round to the nearest whole dollar.

TABLE C —  
AMOUNT OF INSURANCE RATING FACTORS

Amount of Insurance	All Territories
\$ 4,000	0.620
5,000	0.620
6,000	0.620
7,000	0.652
8,000	0.690
9,000	0.740
10,000	0.780
11,000	0.832
12,000	0.873
13,000	0.912
14,000	0.953
15,000	1.000
16,000	1.040
17,000	1.078
18,000	1.120
19,000	1.155
20,000	1.194
25,000	1.335
30,000	1.496
35,000	1.657
40,000	1.803
45,000	1.940
**5,000	0.121

\*\* Add For Each Additional \$5,000

## PREMIUM COMPUTATION FOR CONDOMINIUM POLICIES

## BASE RATE

Eff. ~~8-23-08~~  
~~8-18-09~~

## Step (1)

**\$349.95**

Multiply the base rate of ~~\$342.25~~ by the appropriate Territory rating factor from Table A below. Round to the nearest penny.

TABLE A — TERRITORY RATING FACTORS

Rating Territory	Factor
All	1.000

## Step (2)

Multiply the result from Step (1) by the appropriate Protection Class/Number of Families rating factor in Table B. Round to the nearest penny.

TABLE B —  
PROTECTION CLASS/NUMBER OF FAMILIES\*  
RATING FACTORS

Protection Class	Terr: Entire State	
	1-4	A/O
02	1.000	1.000
03	1.000	1.000
04	1.000	1.000
05	1.100	1.100
06	1.100	1.100
07	1.100	1.100
08	1.100	1.100
09	1.592	1.592
10	1.592	1.592
<del>11</del>	<del>1.815</del>	<del>1.815</del>

\* 1-4: One to four families or fire resistive.

A/O: All other risks.

## Step (3)

Multiply the result from Step (2) by the appropriate Amount of Insurance rating factor from Table C. Interpolation may be used to calculate factors for amounts not shown. See page H --- 401 for instructions. Round to the nearest penny, then round to the nearest whole dollar.

TABLE C —  
AMOUNT OF INSURANCE RATING FACTORS

Amount of Insurance	All Territories
\$ 4,000	0.471
5,000	0.471
6,000	0.471
7,000	0.500
8,000	0.529
9,000	0.563
10,000	0.592
11,000	0.632
12,000	0.661
13,000	0.690
14,000	0.718
15,000	0.753
16,000	0.787
17,000	0.816
18,000	0.845
19,000	0.868
20,000	0.897
25,000	1.000
30,000	1.121
35,000	1.241
40,000	1.351
45,000	1.448
**5,000	0.086

\*\* Add For Each Additional \$5,000

**HOMEOWNER INSTRUCTIONS AND PREMIUM INTERPOLATION TABLES****INSTRUCTIONS FOR INTERPOLATION  
OF POLICY AMOUNTS**

These tables are designed to obtain premiums for amounts of insurance not provided in Table C — Amount of Insurance Rating Factors. Interpolation of policy amounts should be done before any calculation for other coverages. When interpolating for deductibles other than \$250, calculate the premium for the desired amount for \$250 deductible. Then apply the factor for the desired deductible.

**INSERT C****Calculation****Example**

(1)	Desired amount of insurance .....	\$52,245
(2)	Highest amount of insurance shown in Table C that is less than the desired amount in (1) .....	50,000
(3)	Lowest amount of insurance shown in Table C that is greater than the desired amount in (1) .....	55,000
(4)	Difference between (1) and (2) above: (1) minus (2) .....	2,245
(5)	Difference between (3) and (2) above: (3) minus (2) .....	5,000
(6)	Result of (4) divided by (5), rounded to three decimal places .....	0.449
(7)	Base Premium associated with the amount of insurance in (2) above. Developed from Step (3) and Table C of Base Premium Computation .....	\$ 814.00
(8)	Base Premium associated with the amount of insurance in (3) above. Developed from Step (3) and Table C of Base Premium Computation .....	\$ 840.00
(9)	Difference in premiums between (8) and (7): (8) minus (7) .....	\$ 26.00
(10)	Factor in (6) applied to premium difference; (9) multiplied by (6). Round to the nearest penny .....	\$ 11.67
(11)	Premium for the desired amount of insurance; (7) plus (10) .....	\$ 825.67

After all calculations for optional deductibles and to other optional coverages, the final annual premium is rounded to the nearest dollar.

**INSTRUCTIONS FOR POLICY AMOUNTS IN  
EXCESS OF BASE PREMIUM TABLES**

To calculate premiums in \$5,000 increments for amounts in excess of those shown in Table C — Amount of Insurance Factors, follow premium computation steps 1 through 3 using the Amount of Insurance Rating Factor for each additional \$5,000. Interpolate as shown above.

**Arkansas Homeowners**  
**INSERT C**  
**Portfolio Page H-401**  
**Effective 8/18/2009**

		<u>Example</u>
<b>Calculation</b>		
(1)	Desired amount of insurance	<u>\$52,245</u>
(2)	Highest amount of insurance shown in Table C that is less than the desired amount in (1)	<u>50,000</u>
(3)	Lowest amount of insurance shown in Table C that is greater than the desired amount in (1)	<u>55,000</u>
(4)	Difference between (1) and (2) above: (1) - (2)	<u>2,245</u>
(5)	Difference between (3) and (2) above: (3) - (2)	<u>5,000</u>
(6)	Result of (4) divided by (5), rounded to three decimal places	<u>0.449</u>
(7)	Base premium associated with the amount of insurance in (2) above. Developed from Step (3) and Table C of Base Premium Computation	<u>\$ 1,007.00</u>
(8)	Base premium associated with the amount of insurance in (3) above. Developed from Step (3) and Table C of Base Premium Computation	<u>\$ 1,022.00</u>
(9)	Difference in premium between (8) and (7): (8) - (7)	<u>\$ 15.00</u>
(10)	Factor in (6) applied to the premium difference; (9) * (6). Round to the nearest penny	<u>\$ 6.74</u>
(11)	Premium for the desired amount of insurance. (7) + (10)	<u>\$ 1,013.74</u>

**CREDITS AND CHARGES (cont'd)****J. SAFE HOME RATING PLAN (cont'd)**The Number of Points Accumulated from Paid Claims in the Last Three Years

The number of points is determined by the number of points accumulated, according to the table below, in the last three years (ending 90 days prior to the policy effective date). A qualified claim is considered to be any claim, which results in a net paid loss during this 3-year period. Weather and catastrophe related losses and losses, which only have payments under Medical Payments coverage, are also NOT considered to be qualified claims.

<u>Cause of Loss</u>	<u>Points</u>
Catastrophe	0
Medical Payments	0
Weather	0
Section II Liability	5
All Other	3

**INSERT D****K. FINANCIAL RESPONSIBILITY RATE FACTOR**  
Eff. 8-23-08

Based on Nationwide's Proprietary Credit Scoring Model for use in Arkansas, the scoring rules listed below are applicable. Based on the resulting credit score and its corresponding Financial Responsibility Class, multiply the accumulated premium by the appropriate factor in the table below:

**INSERT E**

<b>Financial Responsibility Class</b>	<b>Rate Factors</b>		
	<b>Homeowner</b>	<b>Condo- minium</b>	<b>Tenants</b>
1	0.49	0.48	0.50
2	0.49	0.48	0.50
3	0.49	0.48	0.50
4	0.49	0.48	0.50
5	0.53	0.52	0.54
6	0.56	0.54	0.56
7	0.58	0.57	0.58
8	0.60	0.59	0.61
9	0.62	0.61	0.63
10	0.65	0.64	0.66
11	0.68	0.67	0.68
12	0.71	0.70	0.71
13	0.74	0.73	0.74
14	0.77	0.76	0.77
15	0.81	0.80	0.81
16	0.84	0.84	0.84
17	0.88	0.88	0.88
18	1.10	1.10	1.10
19	1.17	1.17	1.17
20	1.20	1.20	1.20

<b>Financial Responsibility Class</b>	<b>Rate Factors</b>		
	<b>Homeowner</b>	<b>Condo- minium</b>	<b>Tenants</b>
21	1.56	1.56	1.54
811 & <60 Years Old	0.77	0.85	0.94
811 & 60+ Years Old	0.56	0.65	0.72
812 & <60 Years Old	0.77	0.84	0.92
812 & 60+ Years Old	0.56	0.65	0.72

**New Business Scoring:**

The following rules (in order of precedence) are applicable:

1. Credit reports shall be obtained for the first and second named insureds.
2. On a policy where the first and second named insured has a credit score, the credit class associated with the first or second named insured with the best credit score shall be assigned to the policy.
3. If the first and second named insureds are all exclusions or a combination of exclusions and no-hits, a Financial Responsibility Class 811 Factor applies. The age of the oldest first or second named insured shall be used to determine which class 811 factor applies.
4. On policies where the first or second named insureds are all credit "no-hits," the Financial Responsibility Class 812 Factor shall be assigned to the policy. The age of the first or second named insured shall be used to determine which class 812 factor applies.

**Renewal Scoring:**

The following rules (in order of precedence) are applicable:

1. Credit reports shall be obtained for the first and second named insureds.
2. On a policy where the first or second named insured has a credit score, the credit class associated with the first or second named insured with the best credit score shall be assigned to the policy.
3. If the first and second named insureds are all exclusions or a combination of exclusions and "no-hits," a Financial Responsibility Class 811 Factor applies. The age of the oldest first or second named insured shall be used to determine which class 811 factor applies.

**Arkansas Homeowners**

**INSERT D**

**H - 407**

**EFF: 8/18/2009**

A claim that is qualified for SHRP is any claim chargeable for SHRP with the following exception:

*Claim Threshold Exception – If a policyholder has a single claim chargeable for SHRP during the three year period prior to and including the policy effective date with a paid loss amount of \$500 or less, this claim will not be considered a claim qualified for SHRP. Should there be more than one claim chargeable for SHRP with a paid loss during the three-year period prior to and including the policy effective date, then all claims chargeable, regardless of paid amount, will be considered claims qualified for SHRP.*



Arkansas Homeowners  
 INSERT E  
 H- 407

Financial Responsibility Class	Rate Factors		
	Homeowner	Condominium	Tenants
1	0.49	0.48	0.50
2	0.49	0.48	0.50
3	0.49	0.48	0.50
4	0.49	0.48	0.50
5	0.53	0.52	0.54
6	0.56	0.54	0.56
7	0.58	0.57	0.58
8	0.60	0.59	0.61
9	0.62	0.61	0.63
10	0.65	0.64	0.66
11	0.68	0.67	0.68
12	0.71	0.70	0.71
13	0.74	0.73	0.74
14	0.77	0.76	0.77
15	0.81	0.80	0.81
16	0.84	0.84	0.84
17	0.88	0.88	0.88
18	1.16	1.16	1.16
19	1.23	1.23	1.23
20	1.26	1.26	1.26
21	1.64	1.64	1.62
811 & <60 Years Old	0.77	0.67	0.88
811 & 60+ Years Old	0.59	0.65	0.76
812 & <60 Years Old	0.77	0.67	0.88
812 & 60+ Years Old	0.59	0.65	0.76

**CREDITS AND CHARGES (cont'd)****K. FINANCIAL RESPONSIBILITY RATE FACTOR (cont'd)**

Eff. 8-23-08

**Renewal Scoring (cont'd):**

4. On policies where the first or second named insureds are all credit "no-hits," the Financial Responsibility Class 812 Factor shall be assigned to the policy. The age of the first or second named insured shall be used to determine which class 812 factor applies.

5. Policies may move up or down only two credit classes per review, subject to the following credit reclassification rules:

Move policies to a better credit class upon renewal if:

- a. It is the annual renewal date for the policy, AND
- b. The policy satisfies the requirements of the better credit class.

Move policies to a worse credit class upon renewal if:

- a. It is the annual renewal date for the policy, AND
- b. The policy satisfies the requirements of the worse credit class.

6. Once a policy reaches its true Financial Responsibility Class, credit will only be ordered every three years.

**Renewal Scoring Exception:**

Policies where the first or second named insureds were all prior "no-hits" or exclusions are subject to the New Business Scoring Rules above.

**Added/Deleted Named Insured(s) and Spouse:**

1. Do not order a credit report on the added named insured at the time of the change.
2. Apply the Renewal Business Scoring Rules at the annual renewal date of the policy.

When the first or second named insured is deleted from the policy at any time other than the annual renewal of the policy, the following rules apply:

1. The policy retains the current credit class.
2. Apply the Renewal Business Scoring Rules at the annual renewal date of the policy.

**Spin-Off Policies**

Any time a new policy must be set up for an existing customer of a Nationwide Company, a new credit class must be established using the rules outlined in the New Business Scoring portion of the Financial Responsibility Rate Factor section of this rating manual.

**L. SUPPLEMENTAL HEATING CHARGE**

This rule applies to Homeowner Policies

Charge applies to fuel burning appliances, including wood, coal and pellet stoves, cook-stoves, freestanding stoves, freestanding fireplaces, and fireplaces with fireplace inserts. Conventional masonry fireplaces and factory-built fireplaces without fireplace inserts, and coal furnaces as well as portable heating units are not included in this class.

When the charge applies, the otherwise applicable premiums shall be increased by 5 percent (multiply by a factor of 1.05). This charge is applied to the premium after the application of the Financial Responsibility Credit.

The charges are not applicable to the premium charged for Optional Coverage Against Backing of Sewers and Drains or New Construction Theft Coverage.

**INSERT F**  
**M.**  
**N.**

**HOME AND CAR DISCOUNT**  
Eff. 2-16-08

This rule applies to Homeowner, Tenants, and Condominium policies only.

When the Named Insured is also the Named Insured under a Nationwide Mutual Insurance Company Standard Auto policy, the otherwise applicable premiums shall be reduced by 20 percent (multiply by a factor of 0.80). This discount is applied after the application of all other charges and credits, including charges for additional Section I coverages and Personal Liability coverages.

Arkansas Homeowners  
Insert F  
H- 408 to 410

M. NATIONWIDE ASSOCIATE DISCOUNT

This rule applies to Homeowner, Tenant, and Condominium policies

When a Named Insured on the policy is either a current employee or a retiree of Nationwide Mutual Insurance Company, or any subsidiary (direct or indirect) company of Nationwide Mutual Insurance Company, or any affiliate company of Nationwide Mutual Insurance Company, the otherwise applicable premium shall be reduced by 10 percent (multiply by .90).

This discount applies to the accumulated premium after the application of the Replacement Cost Plus charge, if applicable.

**ADDITIONAL SECTION 1 COVERAGES (cont'd)****Q. EARTHQUAKE AND VOLCANIC ERUPTION COVERAGE****INSERT G**

		<b>FRAME</b>						
		<b>Rate per \$1,000</b>						
<b>5% Deductible</b>		<b>Zones</b>						
		<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>
Homeowner Form without Extended Replacement Cost Option	(Coverage A)	0.75	0.75	0.36	0.36	0.26	0.26	0.22
Homeowner Form with Extended Replacement Cost Option	(Coverage A)	0.75	0.75	0.36	0.36	0.26	0.26	0.22
Tenants Form	(Coverage C)	0.51	0.51	0.26	0.26	0.19	0.19	0.16
Condominium Form without Extended Replacement Cost Option	(Coverage C)	0.51	0.51	0.26	0.26	0.19	0.19	0.16
Condominium Form with Extended Replacement Cost Option	(Coverage C)	0.51	0.51	0.26	0.26	0.19	0.19	0.16
Personal Property, Homeowner Form for Increase of Basic Coverage C Limit, or Incidental Occupancy	(Amount of Increase Only)	0.51	0.51	0.26	0.26	0.19	0.19	0.16
Other Structures, for the following optional coverages:	(Amount of Increase Only)							
Increase of Basic Coverage B Limit	(Amount of Increase Only)	0.75	0.75	0.36	0.36	0.26	0.26	0.22
Loss of Use	(Amount of Increase Only)	0.51	0.51	0.26	0.26	0.19	0.19	0.16
Additions and Alterations for Condominiums and Tenants	(Amount of Increase Only)	0.75	0.75	0.36	0.36	0.26	0.26	0.22
Loss of Assessment Option								
All Forms excluding Tenants	Desired Limit	0.75	0.75	0.36	0.36	0.26	0.26	0.22

These charges are not subject to Condominium Rental charge or deductible credits.

**FRAME**  
 Rate per \$1,000

5% Deductible		Zones						
		1	2	3	4	5	6	7
Homeowner Form without Extended Replacement Cost Option	(Coverage A)	-	-	0.46	0.46	0.36	0.36	0.22
Homeowner Form with Extended Replacement Cost Option	(Coverage A)	-	-	0.46	0.46	0.36	0.36	0.22
Tenants Form	(Coverage C)	-	-	0.36	0.36	0.29	0.29	0.16
Condominium Form without Extended Replacement Cost Option	(Coverage C)	-	-	0.34	0.21	0.21	0.21	0.16
Condominium Form with Extended Replacement Cost Option	(Coverage C)	-	-	0.34	0.21	0.21	0.21	0.16
Personal Property, Homeowner Form for Increase of Basic Coverage C Limit, or Incidental Occupancy	(Amount of Increase Only)	-	-	0.36	0.31	0.29	0.29	0.16
Other Structures, for the following optional coverages: Increase Basic Coverage B Limit	(Amount of Increase Only)	-	-	0.46	0.46	0.36	0.36	0.22
Loss of Use	(Amount of Increase Only)	-	-	0.36	0.31	0.29	0.29	0.16
Additions and Alterations for Condominiums and Tenants	(Amount of Increase Only)	-	-	0.46	0.31	0.31	0.31	0.22
Loss of Assessment Option All Forms excluding Tenants	Desired Limit	-	-	0.46	0.46	0.36	0.36	0.22

**ADDITIONAL SECTION I COVERAGES (cont'd)**

## Q. EARTHQUAKE AND VOLCANIC ERUPTION COVERAGE (cont'd)

**INSERT H**

<b>ALL OTHER</b>		<b>Rate per \$1,000</b>						
<b>5% Deductible</b>		<b>Zones</b>						
		<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>
Homeowner Form without Extended Replacement Cost Option	(Coverage A)	0.92	0.92	0.42	0.42	0.31	0.31	0.28
Homeowner Form with Extended Replacement Cost Option	(Coverage A)	0.92	0.92	0.42	0.42	0.31	0.31	0.28
Tenants Form	(Coverage C)	0.51	0.51	0.26	0.26	0.19	0.19	0.16
Condominium Form without Extended Replacement Cost Option	(Coverage C)	0.51	0.51	0.26	0.26	0.19	0.19	0.16
Condominium Form with Extended Replacement Cost Option	(Coverage C)	0.51	0.51	0.26	0.26	0.19	0.19	0.16
Personal Property, Homeowner Form for Increase of Basic Coverage C Limit, or Incidental Occupancy	(Amount of Increase Only)	0.51	0.51	0.26	0.26	0.19	0.19	0.16
Other Structures, for the following optional coverages:	(Amount of Increase Only)							
Increase of Basic Coverage B Limit	(Amount of Increase Only)	0.92	0.92	0.42	0.42	0.31	0.31	0.28
Loss of Use	(Amount of Increase Only)	0.51	0.51	0.26	0.26	0.19	0.19	0.16
Additions and Alterations for Condominiums and Tenants	(Amount of Increase Only)	0.92	0.92	0.42	0.42	0.31	0.31	0.28
Loss of Assessment Option								
All Forms excluding Tenants	Desired Limit	0.92	0.92	0.42	0.42	0.31	0.31	0.28

These charges are not subject to Condominium Rental charge or deductible credits.

Arkansas Homeowner  
 INSERT H  
 H- 417

**ALL OTHER**  
**Rate per \$1,000**

<b>5% Deductible</b>		<b>Zones</b>						
		<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>
Homeowner Form without Extended Replacement Cost Option	(Coverage A)	-	-	0.52	0.52	0.41	0.41	0.28
Homeowner Form with Extended Replacement Cost Option	(Coverage A)	-	-	0.52	0.52	0.41	0.41	0.28
Tenants Form	(Coverage C)	-	-	0.36	0.36	0.29	0.29	0.16
Condominium Form without Extended Replacement Cost Option	(Coverage C)	-	-	0.36	0.36	0.29	0.26	0.16
Condominium Form with Extended Replacement Cost Option	(Coverage C)	-	-	0.36	0.36	0.29	0.26	0.16
Personal Property, Homeowner Form for Increase of Basic Coverage C Limit, or Incidental Occupancy	(Amount of Increase Only)	-	-	0.36	0.36	0.29	0.29	0.16
Other Structures, for the following optional coverages: Increase Basic Coverage B Limit	(Amount of Increase Only)	-	-	0.52	0.52	0.41	0.41	0.28
Loss of Use	(Amount of Increase Only)	-	-	0.36	0.36	0.29	0.29	0.16
Additions and Alterations for Condominiums and Tenants	(Amount of Increase Only)	-	-	0.52	0.52	0.41	0.39	0.28
Loss of Assessment Option All Forms excluding Tenants	Desired Limit	-	-	0.52	0.52	0.41	0.41	0.28

**ADDITIONAL SECTION I COVERAGES (cont'd)**

## Q. EARTHQUAKE AND VOLCANIC ERUPTION COVERAGE (cont'd)

**INSERT I**

		FRAME						
		Rate per \$1,000						
10% Deductible		Zones						
		1	2	3	4	5	6	7
Homeowner Form without Extended Replacement Cost Option	(Coverage A)	0.50	0.50	0.24	0.24	0.17	0.17	0.15
Homeowner Form with Extended Replacement Cost Option	(Coverage A)	0.50	0.50	0.24	0.24	0.17	0.17	0.15
Tenants Form	(Coverage C)	0.34	0.34	0.17	0.17	0.13	0.13	0.11
Condominium Form without Extended Replacement Cost Option	(Coverage C)	0.34	0.34	0.17	0.17	0.13	0.13	0.11
Condominium Form with Extended Replacement Cost Option	(Coverage C)	0.34	0.34	0.17	0.17	0.13	0.13	0.11
Personal Property, Homeowner Form for Increase of Basic Coverage C Limit, or Incidental Occupancy	(Amount of Increase Only)	0.34	0.34	0.17	0.17	0.13	0.13	0.11
Other Structures, for the following optional coverages:	(Amount of Increase Only)	0.50	0.50	0.24	0.24	0.17	0.17	0.15
Increase of Basic Coverage B Limit	(Amount of Increase Only)	0.34	0.34	0.17	0.17	0.13	0.13	0.11
Loss of Use	(Amount of Increase Only)	0.34	0.34	0.17	0.17	0.13	0.13	0.11
Additions and Alterations for Condominiums and Tenants	(Amount of Increase Only)	0.50	0.50	0.24	0.24	0.17	0.17	0.15
Loss of Assessment Option								
All Forms excluding Tenants	Desired Limit	0.50	0.50	0.24	0.24	0.17	0.17	0.15

These charges are not subject to Condominium Rental charge or deductible credits.



Arkansas Homeowner  
 INSERT I  
 H- 418

**FRAME**  
 Rate per \$1,000

10% Deductible		Zones						
		1	2	3	4	5	6	7
Homeowner Form without Extended Replacement Cost Option	(Coverage A)	-	-	0.34	0.34	0.27	0.23	0.15
Homeowner Form with Extended Replacement Cost Option	(Coverage A)	-	-	0.34	0.34	0.27	0.23	0.15
Tenants Form	(Coverage C)	-	-	0.27	0.27	0.23	0.17	0.11
Condominium Form without Extended Replacement Cost Option	(Coverage C)	-	-	0.27	0.18	0.14	0.13	0.11
Condominium Form with Extended Replacement Cost Option	(Coverage C)	-	-	0.27	0.18	0.14	0.13	0.11
Personal Property, Homeowner Form for Increase of Basic Coverage C Limit, or Incidental Occupancy	(Amount of Increase Only)	-	-	0.27	0.27	0.19	0.15	0.11
Other Structures, for the following optional coverages: Increase Basic Coverage B Limit	(Amount of Increase Only)	-	-	0.34	0.34	0.27	0.23	0.15
Loss of Use	(Amount of Increase Only)	-	-	0.27	0.27	0.19	0.15	0.11
Additions and Alterations for Condominiums and Tenants	(Amount of Increase Only)	-	-	0.34	0.27	0.22	0.20	0.15
Loss of Assessment Option All Forms excluding Tenants	Desired Limit	-	-	0.34	0.34	0.27	0.23	0.15

**ADDITIONAL SECTION I COVERAGES (cont'd)****Q. EARTHQUAKE AND VOLCANIC ERUPTION COVERAGE (cont'd)**

INSERT  
INSERT  
INSERT

<b>ALL OTHER</b>		<b>Rate per \$1,000</b>						
<b>10% Deductible</b>		<b>Zones</b>						
		<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>
Homeowner Form without Extended Replacement Cost Option	(Coverage A)	0.61	0.61	0.28	0.28	0.21	0.21	0.18
Homeowner Form with Extended Replacement Cost Option	(Coverage A)	0.61	0.61	0.28	0.28	0.21	0.21	0.18
Tenants Form	(Coverage C)	0.34	0.34	0.17	0.17	0.13	0.13	0.11
Condominium Form without Extended Replacement Cost Option	(Coverage C)	0.34	0.34	0.17	0.17	0.13	0.13	0.11
Condominium Form with Extended Replacement Cost Option	(Coverage C)	0.34	0.34	0.17	0.17	0.13	0.13	0.11
Personal Property, Homeowner Form for Increase of Basic Coverage C Limit, or Incidental Occupancy	(Amount of Increase Only)	0.34	0.34	0.17	0.17	0.13	0.13	0.11
Other Structures, for the following optional coverages:	(Amount of Increase Only)							
Increase of Basic Coverage B Limit	(Amount of Increase Only)	0.61	0.61	0.28	0.28	0.21	0.21	0.18
Loss of Use	(Amount of Increase Only)	0.34	0.34	0.17	0.17	0.13	0.13	0.11
Additions and Alterations for Condominiums and Tenants	(Amount of Increase Only)	0.61	0.61	0.28	0.28	0.21	0.21	0.18
Loss of Assessment Option								
All Forms excluding Tenants	Desired Limit	0.61	0.61	0.28	0.28	0.21	0.21	0.18

These charges are not subject to Condominium Rental charge or deductible credits.

**ALL OTHER  
 Rate per \$1,000**

<b>10% Deductible</b>		<b>Zones</b>						
		<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>
Homeowner Form without Extended Replacement Cost Option	(Coverage A)	-	-	0.38	0.38	0.31	0.25	0.18
Homeowner Form with Extended Replacement Cost Option	(Coverage A)	-	-	0.38	0.38	0.31	0.25	0.18
Tenants Form	(Coverage C)	-	-	0.27	0.27	0.23	0.23	0.11
Condominium Form without Extended Replacement Cost Option	(Coverage C)	-	-	0.27	0.27	0.23	0.21	0.11
Condominium Form with Extended Replacement Cost Option	(Coverage C)	-	-	0.27	0.27	0.23	0.21	0.11
Personal Property, Homeowner Form for Increase of Basic Coverage C Limit, or Incidental Occupancy	(Amount of Increase Only)	-	-	0.27	0.27	0.23	0.23	0.11
Other Structures, for the following optional coverages: Increase Basic Coverage B Limit	(Amount of Increase Only)	-	-	0.38	0.38	0.31	0.25	0.18
Loss of Use	(Amount of Increase Only)	-	-	0.27	0.27	0.23	0.23	0.11
Additions and Alterations for Condominiums and Tenants	(Amount of Increase Only)	-	-	0.38	0.38	0.31	0.30	0.18
Loss of Assessment Option All Forms excluding Tenants	Desired Limit	-	-	0.38	0.38	0.31	0.25	0.18

**FRAME**  
**Rate per \$1,000**

15% Deductible		Zones						
		1	2	3	4	5	6	7
Homeowner Form without Extended Replacement Cost Option	(Coverage A)	0.75	0.75	0.27	0.27	0.22	0.19	0.12
Homeowner Form with Extended Replacement Cost Option	(Coverage A)	0.75	0.75	0.27	0.27	0.22	0.19	0.12
Tenants Form	(Coverage C)	0.51	0.51	0.22	0.22	0.18	0.14	0.09
Condominium Form without Extended Replacement Cost Option	(Coverage C)	0.51	0.51	0.22	0.14	0.12	0.10	0.09
Condominium Form with Extended Replacement Cost Option	(Coverage C)	0.51	0.51	0.22	0.14	0.12	0.10	0.09
Personal Property, Homeowner Form for Increase of Basic Coverage C Limit, or Incidental Occupancy	(Amount of Increase Only)	0.51	0.51	0.22	0.22	0.15	0.12	0.09
Other Structures, for the following optional coverages: Increase Basic Coverage B Limit	(Amount of Increase Only)	0.75	0.75	0.27	0.27	0.22	0.19	0.12
Loss of Use	(Amount of Increase Only)	0.51	0.51	0.22	0.22	0.15	0.12	0.09
Additions and Alterations for Condominiums and Tenants	(Amount of Increase Only)	0.75	0.75	0.27	0.22	0.18	0.16	0.12
Loss of Assessment Option All Forms excluding Tenants	Desired Limit	0.75	0.75	0.27	0.27	0.22	0.19	0.12

**ALL OTHER**  
**Rate per \$1,000**

<b>15% Deductible</b>		<b>Zones</b>						
		<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>
Homeowner Form without Extended Replacement Cost Option	(Coverage A)	0.92	0.92	0.30	0.30	0.25	0.20	0.14
Homeowner Form with Extended Replacement Cost Option	(Coverage A)	0.92	0.92	0.30	0.30	0.25	0.20	0.14
Tenants Form	(Coverage C)	0.51	0.51	0.22	0.22	0.18	0.18	0.09
Condominium Form without Extended Replacement Cost Option	(Coverage C)	0.51	0.51	0.22	0.22	0.18	0.17	0.09
Condominium Form with Extended Replacement Cost Option	(Coverage C)	0.51	0.51	0.22	0.22	0.18	0.17	0.09
Personal Property, Homeowner Form for Increase of Basic Coverage C Limit, or Incidental Occupancy	(Amount of Increase Only)	0.51	0.51	0.22	0.22	0.18	0.18	0.09
Other Structures, for the following optional coverages: Increase Basic Coverage B Limit	(Amount of Increase Only)	0.92	0.92	0.30	0.30	0.25	0.20	0.14
Loss of Use	(Amount of Increase Only)	0.51	0.51	0.22	0.22	0.18	0.18	0.09
Additions and Alterations for Condominiums and Tenants	(Amount of Increase Only)	0.92	0.92	0.30	0.30	0.25	0.24	0.14
Loss of Assessment Option All Forms excluding Tenants	Desired Limit	0.92	0.92	0.30	0.30	0.25	0.20	0.14

**ADDITIONAL COVERAGES AND INCREASED LIMITS TABLES (cont'd)****J. EARTHQUAKE AND VOLCANIC ERUPTION COVERAGE**

When Earthquake coverage is provided, it shall apply to all Section I coverages for the same limits as provided under the policy.  
The premium shall be developed as follows:

**INSERT M**

		Rate per \$1,000						
5% Deductible		Zones						
		1	2	3	4	5	6	7
Mobile Homeowners without replacement cost	(Coverage A)	0.75	0.75	0.36	0.36	0.26	0.26	0.22
Mobile Homeowners with replacement cost	(Coverage A)	0.75	0.75	0.36	0.36	0.26	0.26	0.22
Personal Property, Increase of Basic Coverage C Limit, or Incidental Occupancy	(Amount of Increase Only)	0.51	0.51	0.26	0.26	0.19	0.19	0.16
Other Structures	(Amount of Increase Only)	0.75	0.75	0.36	0.36	0.26	0.26	0.22
Loss of Use	(Amount of Increase Only)	0.51	0.51	0.26	0.26	0.19	0.19	0.16

		Rate per \$1,000						
10% Deductible		Zones						
		1	2	3	4	5	6	7
Mobile Homeowners without replacement cost	(Coverage A)	0.50	0.50	0.24	0.24	0.17	0.17	0.15
Mobile Homeowners with replacement cost	(Coverage A)	0.50	0.50	0.24	0.24	0.17	0.17	0.15
Personal Property, Increase of Basic Coverage C Limit, or Incidental Occupancy	(Amount of Increase Only)	0.34	0.34	0.17	0.17	0.13	0.13	0.11
Other Structures	(Amount of Increase Only)	0.50	0.50	0.24	0.24	0.17	0.17	0.15
Loss of Use	(Amount of Increase Only)	0.34	0.34	0.17	0.17	0.13	0.13	0.11

Rate per \$1,000

5% Deductible		Zones						
		1	2	3	4	5	6	7
Mobile Homeowners without Replacement Cost	(Coverage A)	-	-	0.46	0.46	0.36	0.36	0.22
Mobile Homeowners with Replacement Cost	(Coverage A)	-	-	0.46	0.46	0.36	0.36	0.22
Personal Property, Increase of Basic Coverage C Limit, or Incidental Occupancy	(Amount of Increase Only)	-	-	0.36	0.31	0.29	0.29	0.16
Other Structures	(Amount of Increase Only)	-	-	0.46	0.46	0.36	0.36	0.22
Loss of Use	(Amount of Increase Only)	-	-	0.36	0.31	0.29	0.29	0.16

Rate per \$1,000

10% Deductible		Zones						
		1	2	3	4	5	6	7
Mobile Homeowners without Replacement Cost	(Coverage A)	-	-	0.34	0.34	0.27	0.23	0.15
Mobile Homeowners with Replacement Cost	(Coverage A)	-	-	0.34	0.34	0.27	0.23	0.15
Personal Property, Increase of Basic Coverage C Limit, or Incidental Occupancy	(Amount of Increase Only)	-	-	0.27	0.27	0.19	0.15	0.11
Other Structures	(Amount of Increase Only)	-	-	0.34	0.34	0.27	0.23	0.15
Loss of Use	(Amount of Increase Only)	-	-	0.27	0.27	0.19	0.15	0.11

Rate per \$1,000

15% Deductible		Zones						
		1	2	3	4	5	6	7
Mobile Homeowners without Replacement Cost	(Coverage A)	0.75	0.75	0.27	0.27	0.22	0.19	0.12
Mobile Homeowners with Replacement Cost	(Coverage A)	0.75	0.75	0.27	0.27	0.22	0.19	0.12
Personal Property, Increase of Basic Coverage C Limit, or Incidental Occupancy	(Amount of Increase Only)	0.51	0.51	0.22	0.22	0.15	0.12	0.09
Other Structures	(Amount of Increase Only)	0.75	0.75	0.27	0.27	0.22	0.19	0.12
Loss of Use	(Amount of Increase Only)	0.51	0.51	0.22	0.22	0.15	0.12	0.09

## INDEX OF EXHIBITS

Income Effect.....	Exhibit I
Statewide Indications .....	Exhibit II
Premium Projection Factor .....	Exhibit III
Loss Projection Factor .....	Exhibit IV
Loss Trend Summary (Non Weather).....	Exhibit V
Loss Trend Data.....	Exhibit VI
Homeowner Weather Losses.....	Exhibit VII
TN, CO and Mobile Homeowner Weather Losses.....	Exhibit VIII
Protection Class Factors.....	Exhibit IX
Earthquake Factors.....	Exhibit X
Earthquake Impact per Form.....	Exhibit XI
Financial Responsibility Class .....	Exhibit XII



**Arkansas Homeowners**  
**Nationwide Mutual Fire Insurance Company**  
**Effective August 18, 2009**  
**Income Effect**

<b>Policy Form</b>	<b>Premium</b>	<b>Indicated Rate Level Change</b>	<b>Indicated Premium Effect</b>	<b>Proposed/Resolved Rate Level Change</b>	<b>Selected Premium Effect</b>
Homeowners	\$29,820,921	9.8%	\$2,922,450	8.6%	\$2,564,599
Tenants	523,608	-14.0%	-73,305	0.0%	0
Condominium	102,696	-7.1%	-7,291	0.0%	0
Mobile Home	339,279	2.0%	6,786	0.0%	0
<b>Subtotal</b>	<b>30,786,504</b>	<b>9.3%</b>	<b>2,848,639</b>	<b>8.3%</b>	<b>2,564,599</b>
<b><u>Earthquake</u></b>					
Homeowners	\$459,000	300.3%	\$1,378,377	18.9%	\$86,751
Tenants	2,502	676.8%	16,934	18.9%	473
Condominium	1,722	241.6%	4,160	24.5%	422
Mobile Home	951	887.0%	8,435	8.7%	83
<b>EQ Total</b>	<b>464,175</b>	<b>303.3%</b>	<b>1,407,906</b>	<b>18.9%</b>	<b>87,729</b>
<b><u>Combined</u></b>					
Homeowners	\$30,279,921	14.2%	\$4,300,827	8.8%	\$2,651,350
Tenants	526,110	-10.7%	-56,372	0.1%	473
Condominium	104,418	-3.0%	-3,131	0.4%	422
Mobile Home	340,230	4.5%	15,221	0.0%	83
<b>Total</b>	<b>\$31,250,679</b>	<b>13.6%</b>	<b>\$4,256,546</b>	<b>8.5%</b>	<b>\$2,652,328</b>

Note: Premium Earthquake is full term premium amount from Polaris.

Premium used with the policy form indications is Projected Current Level Earned

Premium from the HOSWs

**Arkansas Homeowners**  
**Nationwide Mutual Fire Insurance Company**  
**Determination of Indicated Rate-Level Change Assumed Effective July 1, 2009**  
**Elite / HO3, Golden Blanket / HO5, Market Value, Market Value Plus**

Fiscal Accident Year Ending	2004/3	2005/3	2006/3	2007/3	2008/3	5-Year
<b>Premium</b>						
1 Current Level Earned Premium	23,362,224	24,956,446	26,695,626	28,251,359	27,611,964	
2 Premium Projection Factor	1.194	1.161	1.132	1.092	1.080	
3 Projected Current Level Earned Premium = (1) × (2)	27,894,495	28,974,434	30,219,449	30,850,484	29,820,921	147,759,783
<b>Losses and DCC Expense</b>						
4 Non-Weather Estimated Ultimate Losses and DCC Expense	4,646,580	5,602,455	10,443,360	8,419,407	8,249,760	
5 Non-Weather Loss Projection Factor	1.160	1.234	1.230	1.003	1.007	
6 Projected Non-Weather Losses and DCC Expense = (4) × (5)	5,390,033	6,913,429	12,845,333	8,444,665	8,307,508	41,900,968
7 Projected Non-Weather Losses and DCC Expense Ratio	19.3%	23.9%	42.5%	27.4%	27.9%	28.4%
8 Projected Weather Losses and DCC Expense	6,824,919	7,055,510	7,405,650	7,565,353	7,318,742	36,170,174
9 Projected Weather Losses and DCC Expense Ratio = (8) ÷ (3)	24.5%	24.4%	24.5%	24.5%	24.5%	24.5%
10 Current Coverage Adjustment	0.992	0.998	1.000	1.000	1.000	
11 Projected Estimated Ultimate Losses and DCC Expense = [(6) + (8)] × (10)	12,117,232	13,941,001	20,250,983	16,010,018	15,626,250	78,608,205
12 Projected Loss and DCC Expense Ratio = (11) ÷ (3)	43.4%	48.1%	67.0%	51.9%	52.4%	53.2%
13 Experience Year Weights Used Above	15%	15%	20%	25%	25%	
14 Credibility Assigned to Experience						76.3%
15 Trended Permissible Loss and DCC Expense Ratio						48.9%
16 Credibility-Weighted Loss and DCC Expense Ratio = (14) × (12) + [(1 - (14))] × (15)						52.2%
17 Credibility-Weighted Losses and DCC Expense = (3) × (16)						77,130,607
<b>Non-Hurricane Fixed Expenses</b>						
18 Total Fixed Expenses	4,267,858	4,433,088	4,623,575	4,720,124	4,562,601	22,607,246
<b>Indication</b>						
19 Projected Credibility-Weighted Losses, DCC and Fixed Expenses = (17) + (18)						99,737,853
20 Permissible Loss and Fixed Expense Ratio						61.8%
21 Credibility-Weighted Required Premium = (19) ÷ (20)						161,388,112
22 Credibility-Weighted Indicated Rate Level Change = (21) ÷ (3) - 1						9.2%
23 Reinsurance Charge						0.5%
24 Required Premium Including Reinsurance Charge = (21) + [(3) × (23)] ÷ [1 - Commissions - Misc Taxes - Premium Taxes]						162,302,467
25 Indicated Rate Level Change Including Reinsurance Charge = (24) ÷ (3) - 1						9.8%

**Arkansas Homeowners**  
**Nationwide Mutual Fire Insurance Company**  
**Determination of Indicated Rate-Level Change Assumed Effective July 1, 2009**  
**Tenants / HO-4 (NC)**

<b>Fiscal Accident Year Ending</b>	<b>2004/3</b>	<b>2005/3</b>	<b>2006/3</b>	<b>2007/3</b>	<b>2008/3</b>	<b>5-Year</b>
<b>Premium</b>						
1 Current Level Earned Premium	455,191	464,885	481,197	492,827	521,003	
2 Premium Projection Factor	0.981	0.999	1.003	1.007	1.005	
3 Projected Current Level Earned Premium = (1) × (2)	446,542	464,420	482,641	496,277	523,608	2,413,488
<b>Losses and DCC Expense</b>						
4 Non-Weather Estimated Ultimate Losses and DCC Expense	91,453	276,394	195,888	189,216	162,164	
5 Non-Weather Loss Projection Factor	1.220	1.278	0.771	0.850	1.076	
6 Projected Non-Weather Losses and DCC Expense = (4) × (5)	111,573	353,232	151,030	160,834	174,488	951,157
7 Projected Non-Weather Losses and DCC Expense Ratio	25.0%	76.1%	31.3%	32.4%	33.3%	39.4%
8 Projected Weather Losses and DCC Expense	18,551	19,232	20,039	20,584	21,743	100,149
9 Projected Weather Losses and DCC Expense Ratio = (8) ÷ (3)	4.2%	4.1%	4.2%	4.1%	4.2%	4.1%
10 Current Coverage Adjustment	0.991	0.998	1.000	1.000	1.000	
11 Projected Estimated Ultimate Losses and DCC Expense = [(6) + (8)] × (10)	128,953	371,719	171,069	181,418	196,231	975,049
12 Projected Loss and DCC Expense Ratio = (11) ÷ (3)	28.9%	80.0%	35.4%	36.6%	37.5%	40.4%
13 Experience Year Weights Used Above	10%	10%	15%	25%	40%	
14 Credibility Assigned to Experience						26.1%
15 Trended Permissible Loss and DCC Expense Ratio						24.5%
16 Credibility-Weighted Loss and DCC Expense Ratio = (14) × (12) + [1-(14)] × (15)						28.6%
17 Credibility-Weighted Losses and DCC Expense = (3) × (16)						690,258
<b>Non-Hurricane Fixed Expenses</b>						
18 Total Fixed Expenses	120,119	124,929	129,830	133,499	140,851	649,228
<b>Indication</b>						
19 Projected Credibility-Weighted Losses, DCC and Fixed Expenses = (17) + (18)						1,339,486
20 Permissible Loss and Fixed Expense Ratio						64.7%
21 Credibility-Weighted Required Premium = (19) ÷ (20)						2,070,303
22 Credibility-Weighted Indicated Rate Level Change = (21) ÷ (3) - 1						-14.2%
23 Reinsurance Charge						0.2%
24 Required Premium Including Reinsurance Charge = (21) + { [(3) × (23)] ÷ [1 - Commissions - Misc Taxes - Premium Taxes] }						2,076,226
25 Indicated Rate Level Change Including Reinsurance Charge = (24) ÷ (3) - 1						-14.0%

**Arkansas Homeowners**  
**Nationwide Mutual Fire Insurance Company**  
**Determination of Indicated Rate-Level Change Assumed Effective July 1, 2009**  
**Condominiums / HO-6 (NC), Comprehensive Condominiums**

<b>Fiscal Accident Year Ending</b>	<b>2004/3</b>	<b>2005/3</b>	<b>2006/3</b>	<b>2007/3</b>	<b>2008/3</b>	<b>5-Year</b>
<b>Premium</b>						
1. Current Level Earned Premium	93,629	102,774	107,738	114,180	108,556	
2. Premium Projection Factor	0.949	0.937	0.919	0.922	0.946	
3. Projected Current Level Earned Premium = (1) × (2)	88,854	96,299	99,011	105,274	102,696	492,134
<b>Losses and DCC Expense</b>						
4. Non-Weather Estimated Ultimate Losses and DCC Expense	89,876	58,345	211,787	71,027	41,521	
5. Non-Weather Loss Projection Factor	1.143	0.840	0.965	0.747	1.048	
6. Projected Non-Weather Losses and DCC Expense = (4) × (5)	102,728	49,010	204,374	53,057	43,514	452,683
7. Projected Non-Weather Losses and DCC Expense Ratio	115.6%	50.9%	206.4%	50.4%	42.4%	92.0%
8. Projected Weather Losses and DCC Expense	7,481	8,115	8,305	8,813	8,591	41,305
9. Projected Weather Losses and DCC Expense Ratio = (8) ÷ (3)	8.4%	8.4%	8.4%	8.4%	8.4%	8.4%
10. Current Coverage Adjustment	0.986	0.995	1.000	1.000	1.000	
11. Projected Estimated Ultimate Losses and DCC Expense = [(6) + (8)] × (10)	108,666	56,839	212,679	61,870	52,105	462,606
12. Projected Loss and DCC Expense Ratio = (11) ÷ (3)	122.3%	59.0%	214.8%	58.8%	50.7%	94.0%
13. Experience Year Weights Used Above	10%	15%	20%	25%	30%	
14. Credibility Assigned to Experience						5.0%
15. Trended Permissible Loss and DCC Expense Ratio						36.0%
16. Credibility-Weighted Loss and DCC Expense Ratio = (14) × (12) + [1-(14)] × (15)						38.9%
17. Credibility-Weighted Losses and DCC Expense = (3) × (16)						191,440
<b>Non-Hurricane Fixed Expenses</b>						
18. Total Fixed Expenses	18,748	20,319	20,891	22,213	21,669	103,840
<b>Indication</b>						
19. Projected Credibility-Weighted Losses, DCC and Fixed Expenses = (17) + (18)						295,280
20. Permissible Loss and Fixed Expense Ratio						64.9%
21. Credibility-Weighted Required Premium = (19) ÷ (20)						454,977
22. Credibility-Weighted Indicated Rate Level Change = (21) ÷ (3) - 1						-7.6%
23. Reinsurance Charge						0.4%
24. Required Premium Including Reinsurance Charge = (21) + [(3) × (23)] ÷ [1 - Commissions - Misc Taxes - Premium Taxes]						457,392
25. Indicated Rate Level Change Including Reinsurance Charge = (24) ÷ (3) - 1						-7.1%

**Arkansas Homeowners**  
**Nationwide Mutual Fire Insurance Company**  
**Determination of Indicated Rate-Level Change Assumed Effective July 1, 2009**  
**Mobile Home - Broad, Mobile Home - Comprehensive**

<b>Fiscal Accident Year Ending</b>	<b>2004/3</b>	<b>2005/3</b>	<b>2006/3</b>	<b>2007/3</b>	<b>2008/3</b>	<b>5-Year</b>
<b>Premium</b>						
1 Current Level Earned Premium	552,687	490,294	425,275	376,382	334,595	
2 Premium Projection Factor	1.042	1.035	1.032	1.020	1.014	
3 Projected Current Level Earned Premium = (1) × (2)	575,900	507,454	438,884	383,910	339,279	2,245,427
<b>Losses and DCC Expense</b>						
4 Non-Weather Estimated Ultimate Losses and DCC Expense	92,203	70,519	10,789	116,008	13,722	
5 Non-Weather Loss Projection Factor	0.708	1.146	2.072	2.038	1.160	
6 Projected Non-Weather Losses and DCC Expense = (4) × (5)	65,280	80,815	22,355	236,424	15,918	420,792
7 Projected Non-Weather Losses and DCC Expense Ratio	11.3%	15.9%	5.1%	61.6%	4.7%	18.7%
8 Projected Weather Losses and DCC Expense	124,642	109,739	95,175	83,151	73,498	486,205
9 Projected Weather Losses and DCC Expense Ratio = (8) ÷ (3)	21.6%	21.6%	21.7%	21.7%	21.7%	21.7%
10 Current Coverage Adjustment	0.982	0.995	1.000	1.000	1.000	
11 Projected Estimated Ultimate Losses and DCC Expense = [(6) + (8)] × (10)	186,503	189,601	117,530	319,575	89,416	918,380
12 Projected Loss and DCC Expense Ratio = (11) ÷ (3)	32.4%	37.4%	26.8%	83.2%	26.4%	40.9%
13 Experience Year Weights Used Above	15%	20%	20%	20%	25%	
14 Credibility Assigned to Experience						6.7%
15 Trended Permissible Loss and DCC Expense Ratio						47.3%
16 Credibility-Weighted Loss and DCC Expense Ratio = (14) × (12) + [1-(14)] × (15)						46.9%
17 Credibility-Weighted Losses and DCC Expense = (3) × (16)						1,053,105
<b>Non-Hurricane Fixed Expenses</b>						
18 Total Fixed Expenses	89,840	79,163	66,466	59,890	52,927	350,286
<b>Indication</b>						
19 Projected Credibility-Weighted Losses, DCC and Fixed Expenses = (17) + (18)						1,403,391
20 Permissible Loss and Fixed Expense Ratio						61.5%
21 Credibility-Weighted Required Premium = (19) ÷ (20)						2,281,937
22 Credibility-Weighted Indicated Rate Level Change = (21) ÷ (3) - 1						1.6%
23 Reinsurance Charge						0.3%
24 Required Premium Including Reinsurance Charge = (21) + [(3) × (23)] + [1 - Commissions - Misc Taxes - Premium Taxes]						2,290,305
25 Indicated Rate Level Change Including Reinsurance Charge = (24) ÷ (3) - 1						2.0%

**Arkansas Homeowners  
Nationwide Mutual Fire Insurance Company  
Determination of Premium Projection Factors  
Elite / HO3, Golden Blanket / HO5, Market Value, Market Value Plus**

	Fiscal Calendar Year Ending				
	2004/3	2005/3	2006/3	2007/3	2008/3
<b>Past-to-Present Adjustments</b>					
1. Average Earned Date for Fiscal Calendar Year	3/31/2004	3/31/2005	3/31/2006	3/31/2007	3/31/2008
2. Average Earned Date for Latest Fiscal Calendar Year	3/31/2008	3/31/2008	3/31/2008	3/31/2008	3/31/2008
3. Years of Trend = (2) - (1)	4.003	3.003	2.003	1.003	0.000
4. Selected Premium Trend	2.6%	2.5%	2.4%	1.1%	0.0%
5. Past-to-Present Factor = $[1+(4)](3)$	1.108	1.077	1.049	1.011	1.000
<b>Present-to-Future Adjustments</b>					
6. Average Earned Date for Latest Fiscal Calendar Year	3/31/2008	3/31/2008	3/31/2008	3/31/2008	3/31/2008
7. Average Earned Date for Assumed Effective Period	7/1/2010	7/1/2010	7/1/2010	7/1/2010	7/1/2010
8. Years of Trend = (7) - (6)	2.252	2.252	2.252	2.252	2.252
9. Selected Premium Trend	3.5%	3.5%	3.5%	3.5%	3.5%
10. Present-to-Future Factor = $[1+(9)](8)$	1.081	1.081	1.081	1.081	1.081
<b>Water Backup Adjustment</b>					
11. Percentage of Water Backup Premium to be Trended	0.0%	0.0%	0.0%	0.0%	0.0%
12. Adjustment for non-Trended Water Backup Premium	0.997	0.997	0.998	0.999	0.999
<b>Past-to-Future Adjustments</b>					
13. Premium Projection Factor = (5) × (10) × (12)	1.194	1.161	1.132	1.092	1.080

**Arkansas Homeowners  
Nationwide Mutual Fire Insurance Company  
Determination of Premium Projection Factors  
Tenants / HO-4 (NC)**

		Fiscal Calendar Year Ending			
	2004/3	2005/3	2006/3	2007/3	2008/3
<b>Past-to-Present Adjustments</b>					
1. Average Earned Date for Fiscal Calendar Year	3/31/2004	3/31/2005	3/31/2006	3/31/2007	3/31/2008
2. Average Earned Date for Latest Fiscal Calendar Year	3/31/2008	3/31/2008	3/31/2008	3/31/2008	3/31/2008
3. Years of Trend = (2) - (1)	4.003	3.003	2.003	1.003	0.000
4. Selected Premium Trend	-0.6%	-0.2%	-0.1%	0.2%	0.0%
5. Past-to-Present Factor = $[1+(4)](3)$	0.976	0.994	0.998	1.002	1.000
<b>Present-to-Future Adjustments</b>					
6. Average Earned Date for Latest Fiscal Calendar Year	3/31/2008	3/31/2008	3/31/2008	3/31/2008	3/31/2008
7. Average Earned Date for Assumed Effective Period	7/1/2010	7/1/2010	7/1/2010	7/1/2010	7/1/2010
8. Years of Trend = (7) - (6)	2.252	2.252	2.252	2.252	2.252
9. Selected Premium Trend	0.2%	0.2%	0.2%	0.2%	0.2%
10. Present-to-Future Factor = $[1+(9)](8)$	1.005	1.005	1.005	1.005	1.005
<b>Water Backup Adjustment</b>					
11. Percentage of Water Backup Premium to be Trended	0.0%	0.0%	0.0%	0.0%	0.0%
12. Adjustment for non-Trended Water Backup Premium	1.000	1.000	1.000	1.000	1.000
<b>Past-to-Future Adjustments</b>					
13. Premium Projection Factor = (5) × (10) × (12)	0.981	0.999	1.003	1.007	1.005

**Arkansas Homeowners  
Nationwide Mutual Fire Insurance Company  
Determination of Premium Projection Factors  
Condominiums / HO-6 (NC), Comprehensive Condominiums**

		Fiscal Calendar Year Ending			
	2004/3	2005/3	2006/3	2007/3	2008/3
<b>Past-to-Present Adjustments</b>					
1. Average Earned Date for Fiscal Calendar Year	3/31/2004	3/31/2005	3/31/2006	3/31/2007	3/31/2008
2. Average Earned Date for Latest Fiscal Calendar Year	3/31/2008	3/31/2008	3/31/2008	3/31/2008	3/31/2008
3. Years of Trend = (2) - (1)	4.003	3.003	2.003	1.003	0.000
4. Selected Premium Trend	0.1%	-0.3%	-1.4%	-2.5%	0.0%
5. Past-to-Present Factor = $[1+(4)](3)$	1.004	0.991	0.972	0.975	1.000
<b>Present-to-Future Adjustments</b>					
6. Average Earned Date for Latest Fiscal Calendar Year	3/31/2008	3/31/2008	3/31/2008	3/31/2008	3/31/2008
7. Average Earned Date for Assumed Effective Period	7/1/2010	7/1/2010	7/1/2010	7/1/2010	7/1/2010
8. Years of Trend = (7) - (6)	2.252	2.252	2.252	2.252	2.252
9. Selected Premium Trend	-2.5%	-2.5%	-2.5%	-2.5%	-2.5%
10. Present-to-Future Factor = $[1+(9)](8)$	0.945	0.945	0.945	0.945	0.945
<b>Water Backup Adjustment</b>					
11. Percentage of Water Backup Premium to be Trended	0.0%	0.0%	0.0%	0.0%	0.0%
12. Adjustment for non-Trended Water Backup Premium	1.000	1.001	1.001	1.001	1.001
<b>Past-to-Future Adjustments</b>					
13. Premium Projection Factor = (5) × (10) × (12)	0.949	0.937	0.919	0.922	0.946



**Arkansas Homeowners  
Nationwide Mutual Fire Insurance Company  
Determination of Premium Projection Factors  
Mobile Home - Broad, Mobile Home - Comprehensive**

	Fiscal Calendar Year Ending				
	2004/3	2005/3	2006/3	2007/3	2008/3
<b>Past-to-Present Adjustments</b>					
1. Average Earned Date for Fiscal Calendar Year	3/31/2004	3/31/2005	3/31/2006	3/31/2007	3/31/2008
2. Average Earned Date for Latest Fiscal Calendar Year	3/31/2008	3/31/2008	3/31/2008	3/31/2008	3/31/2008
3. Years of Trend = (2) - (1)	4.003	3.003	2.003	1.003	0.000
4. Selected Premium Trend	0.7%	0.7%	0.9%	0.6%	0.0%
5. Past-to-Present Factor = $[1+(4)](3)$	1.028	1.021	1.018	1.006	1.000
<b>Present-to-Future Adjustments</b>					
6. Average Earned Date for Latest Fiscal Calendar Year	3/31/2008	3/31/2008	3/31/2008	3/31/2008	3/31/2008
7. Average Earned Date for Assumed Effective Period	7/1/2010	7/1/2010	7/1/2010	7/1/2010	7/1/2010
8. Years of Trend = (7) - (6)	2.252	2.252	2.252	2.252	2.252
9. Selected Premium Trend	0.6%	0.6%	0.6%	0.6%	0.6%
10. Present-to-Future Factor = $[1+(9)](8)$	1.014	1.014	1.014	1.014	1.014
<b>Water Backup Adjustment</b>					
11. Percentage of Water Backup Premium to be Trended	0.0%	0.0%	0.0%	0.0%	0.0%
12. Adjustment for non-Trended Water Backup Premium	1.000	1.000	1.000	1.000	1.000
<b>Past-to-Future Adjustments</b>					
13. Premium Projection Factor = (5) × (10) × (12)	1.042	1.035	1.032	1.020	1.014

**Arkansas Homeowners  
Nationwide Mutual Fire Insurance Company  
Determination of Loss Projection Factors  
Non-Weather  
Elite / HO3, Golden Blanket / HO5, Market Value, Market Value Plus**

	Fiscal Calendar Year Ending				
	2004/3	2005/3	2006/3	2007/3	2008/3
<b>Past-to-Present Adjustments</b>					
1. Average Loss Date for Fiscal Calendar Year	3/31/2004	3/31/2005	3/31/2006	3/31/2007	3/31/2008
2. Average Loss Date for Latest Fiscal Calendar Year	3/31/2008	3/31/2008	3/31/2008	3/31/2008	3/31/2008
3. Years of Trend = (2) - (1)	4.003	3.003	2.003	1.003	0.000
4. Selected Severity Trend	6.4%	6.2%	2.7%	-7.8%	0.0%
5. Selected Frequency Trend	-2.6%	0.8%	7.6%	8.0%	0.0%
6. Selected Pure Premium Trend = $[1+(4)] \times [1+(5)] - 1$	3.6%	7.0%	10.5%	-0.4%	0.0%
7. Past-to-Present Factor = $[1+(6)](3)$	1.152	1.225	1.221	0.996	1.000
<b>Present-to-Future Adjustments</b>					
8. Average Loss Date for Latest Fiscal Calendar Year	3/31/2008	3/31/2008	3/31/2008	3/31/2008	3/31/2008
9. Average Loss Date for Assumed Effective Period	7/1/2010	7/1/2010	7/1/2010	7/1/2010	7/1/2010
10. Years of Trend = (9) - (8)	2.252	2.252	2.252	2.252	2.252
11. Selected Severity Trend	0.3%	0.3%	0.3%	0.3%	0.3%
12. Selected Frequency Trend	0.0%	0.0%	0.0%	0.0%	0.0%
13. Selected Pure Premium Trend = $[1+(11)] \times [1+(12)] - 1$	0.3%	0.3%	0.3%	0.3%	0.3%
14. Present-to-Future Factor = $[1+(13)](10)$	1.007	1.007	1.007	1.007	1.007
<b>Past-to-Future Adjustments</b>					
15. Loss Projection Factor = (7) × (14)	1.160	1.234	1.230	1.003	1.007

**Arkansas Homeowners  
Nationwide Mutual Fire Insurance Company  
Determination of Loss Projection Factors  
Non-Weather  
Tenants / HO-4 (NC)**

	Fiscal Calendar Year Ending				
	2004/3	2005/3	2006/3	2007/3	2008/3
<b>Past-to-Present Adjustments</b>					
1. Average Loss Date for Fiscal Calendar Year	3/31/2004	3/31/2005	3/31/2006	3/31/2007	3/31/2008
2. Average Loss Date for Latest Fiscal Calendar Year	3/31/2008	3/31/2008	3/31/2008	3/31/2008	3/31/2008
3. Years of Trend = (2) - (1)	4.003	3.003	2.003	1.003	0.000
4. Selected Severity Trend	-1.2%	-4.0%	-28.7%	-41.9%	0.0%
5. Selected Frequency Trend	4.5%	10.3%	18.8%	36.2%	0.0%
6. Selected Pure Premium Trend = $[1+(4)] \times [1+(5)] - 1$	3.2%	5.9%	-15.3%	-20.9%	0.0%
7. Past-to-Present Factor = $[1+(6)](3)$	1.134	1.188	0.717	0.790	1.000
<b>Present-to-Future Adjustments</b>					
8. Average Loss Date for Latest Fiscal Calendar Year	3/31/2008	3/31/2008	3/31/2008	3/31/2008	3/31/2008
9. Average Loss Date for Assumed Effective Period	7/1/2010	7/1/2010	7/1/2010	7/1/2010	7/1/2010
10. Years of Trend = (9) - (8)	2.252	2.252	2.252	2.252	2.252
11. Selected Severity Trend	3.3%	3.3%	3.3%	3.3%	3.3%
12. Selected Frequency Trend	0.0%	0.0%	0.0%	0.0%	0.0%
13. Selected Pure Premium Trend = $[1+(11)] \times [1+(12)] - 1$	3.3%	3.3%	3.3%	3.3%	3.3%
14. Present-to-Future Factor = $[1+(13)](10)$	1.076	1.076	1.076	1.076	1.076
<b>Past-to-Future Adjustments</b>					
15. Loss Projection Factor = (7) × (14)	1.220	1.278	0.771	0.850	1.076

**Arkansas Homeowners  
Nationwide Mutual Fire Insurance Company  
Determination of Loss Projection Factors  
Non-Weather  
Condominiums / HO-6 (NC), Comprehensive Condominiums**

	<b>Fiscal Calendar Year Ending</b>				
	<b>2004/3</b>	<b>2005/3</b>	<b>2006/3</b>	<b>2007/3</b>	<b>2008/3</b>
<b>Past-to-Present Adjustments</b>					
1. Average Loss Date for Fiscal Calendar Year	3/31/2004	3/31/2005	3/31/2006	3/31/2007	3/31/2008
2. Average Loss Date for Latest Fiscal Calendar Year	3/31/2008	3/31/2008	3/31/2008	3/31/2008	3/31/2008
3. Years of Trend = (2) - (1)	4.003	3.003	2.003	1.003	0.000
4. Selected Severity Trend	3.3%	-3.4%	9.0%	-10.6%	0.0%
5. Selected Frequency Trend	-1.1%	-3.8%	-11.9%	-20.1%	0.0%
6. Selected Pure Premium Trend = $[1+(4)] \times [1+(5)] - 1$	2.2%	-7.1%	-4.0%	-28.6%	0.0%
7. Past-to-Present Factor = $[1+(6)](3)$	1.091	0.802	0.921	0.713	1.000
<b>Present-to-Future Adjustments</b>					
8. Average Loss Date for Latest Fiscal Calendar Year	3/31/2008	3/31/2008	3/31/2008	3/31/2008	3/31/2008
9. Average Loss Date for Assumed Effective Period	7/1/2010	7/1/2010	7/1/2010	7/1/2010	7/1/2010
10. Years of Trend = (9) - (8)	2.252	2.252	2.252	2.252	2.252
11. Selected Severity Trend	2.1%	2.1%	2.1%	2.1%	2.1%
12. Selected Frequency Trend	0.0%	0.0%	0.0%	0.0%	0.0%
13. Selected Pure Premium Trend = $[1+(11)] \times [1+(12)] - 1$	2.1%	2.1%	2.1%	2.1%	2.1%
14. Present-to-Future Factor = $[1+(13)](10)$	1.048	1.048	1.048	1.048	1.048
<b>Past-to-Future Adjustments</b>					
15. Loss Projection Factor = (7) × (14)	1.143	0.840	0.965	0.747	1.048

**Arkansas Homeowners  
Nationwide Mutual Fire Insurance Company  
Determination of Loss Projection Factors  
Non-Weather  
Mobile Home - Broad, Mobile Home - Comprehensive**

	Fiscal Calendar Year Ending				
	2004/3	2005/3	2006/3	2007/3	2008/3
<b>Past-to-Present Adjustments</b>					
1. Average Loss Date for Fiscal Calendar Year	3/31/2004	3/31/2005	3/31/2006	3/31/2007	3/31/2008
2. Average Loss Date for Latest Fiscal Calendar Year	3/31/2008	3/31/2008	3/31/2008	3/31/2008	3/31/2008
3. Years of Trend = (2) - (1)	4.003	3.003	2.003	1.003	0.000
4. Selected Severity Trend	-13.4%	-3.3%	36.3%	66.4%	0.0%
5. Selected Frequency Trend	2.1%	3.0%	-2.0%	5.4%	0.0%
6. Selected Pure Premium Trend = $[1+(4)] \times [1+(5)] - 1$	-11.6%	-0.4%	33.6%	75.4%	0.0%
7. Past-to-Present Factor = $[1+(6)](3)$	0.610	0.988	1.786	1.757	1.000
<b>Present-to-Future Adjustments</b>					
8. Average Loss Date for Latest Fiscal Calendar Year	3/31/2008	3/31/2008	3/31/2008	3/31/2008	3/31/2008
9. Average Loss Date for Assumed Effective Period	7/1/2010	7/1/2010	7/1/2010	7/1/2010	7/1/2010
10. Years of Trend = (9) - (8)	2.252	2.252	2.252	2.252	2.252
11. Selected Severity Trend	6.8%	6.8%	6.8%	6.8%	6.8%
12. Selected Frequency Trend	0.0%	0.0%	0.0%	0.0%	0.0%
13. Selected Pure Premium Trend = $[1+(11)] \times [1+(12)] - 1$	6.8%	6.8%	6.8%	6.8%	6.8%
14. Present-to-Future Factor = $[1+(13)](10)$	1.160	1.160	1.160	1.160	1.160
<b>Past-to-Future Adjustments</b>					
15. Loss Projection Factor = (7) $\times$ (14)	0.708	1.146	2.072	2.038	1.160

**Arkansas Homeowners**  
**Nationwide Mutual Fire Insurance Company**  
**Exponential Regression on Four Quarter Ending Trend Data as of December 31, 2008**  
**Non-Weather, With Losses Capped at \$200,000**  
**Elite / HO3, Golden Blanket / HO5, Market Value, Market Value Plus**

**Average Paid Cost**

Quarters of Trend	Arkansas				Countrywide			Credibility Weighted
	NW Calendar Year Ending 2008/4	R <sup>2</sup>	Z*	NW Accident Year Ending 2008/3 Non-NW Fast Track Ending 2008/3	NW Calendar Year Ending 2008/4	R <sup>2</sup>	Non-NW Fast Track Ending 2008/3	
24	6.4%	0.366	0.23	8.5%	12.0%	0.969		10.7%
23	5.5%	0.292	0.22		11.7%	0.968		10.3%
22	5.1%	0.243	0.21		11.4%	0.965		10.1%
21	5.7%	0.261	0.21		11.2%	0.962		10.0%
20	6.2%	0.265	0.18	11.5%	10.7%	0.962	8.4%	9.9%
19	6.8%	0.272	0.14		10.2%	0.966	7.8%	9.7%
18	6.5%	0.227	0.11		9.8%	0.969	7.1%	9.4%
17	4.9%	0.137	0.10		9.5%	0.968	6.2%	9.0%
16	2.7%	0.046	0.10	0.4%	9.1%	0.965	5.5%	8.5%
15	0.3%	0.001	0.12		9.0%	0.958	5.2%	8.0%
14	-3.5%	0.112	0.18		9.1%	0.949	5.2%	6.8%
13	-6.5%	0.370	0.27		9.0%	0.937	5.4%	4.8%
12	-7.8%	0.428	0.28	-15.5%	9.2%	0.926	5.9%	4.4%
11	-8.1%	0.382	0.28		9.1%	0.904	6.5%	4.3%
10	-6.2%	0.229	0.28		8.2%	0.890	7.6%	4.5%
9	-4.3%	0.102	0.22		7.2%	0.866	8.7%	4.7%
8	-3.6%	0.050	0.15	3.3%	6.0%	0.844	10.1%	4.6%
7	-6.6%	0.120	0.07		4.5%	0.849	11.1%	3.7%
6	-15.1%	0.475	0.02		3.1%	0.934	9.7%	2.7%
5	-24.3%	0.787	0.03		2.7%	0.904	6.3%	1.9%
4	-27.7%	0.734	0.03	-2.1%	2.3%	0.809	0.5%	1.4%
3	-43.0%	0.995	0.59		1.9%	0.562	0.3%	-24.6%

**Paid Claim Frequency**

Quarters of Trend	Arkansas				Countrywide			Credibility Weighted
	NW Calendar Year Ending 2008/4	R <sup>2</sup>	Z*	NW Accident Year Ending 2008/3 Non-NW Fast Track Ending 2008/3	NW Calendar Year Ending 2008/4	R <sup>2</sup>	Non-NW Fast Track Ending 2008/3	
24	-2.6%	0.126	0.72	-1.5%	-6.7%	0.654		-3.7%
23	-1.8%	0.061	0.69		-5.9%	0.618		-3.1%
22	-0.9%	0.016	0.67		-5.2%	0.572		-2.3%
21	-0.1%	0.000	0.62		-4.3%	0.516		-1.7%
20	0.8%	0.010	0.55	2.6%	-3.5%	0.446	-3.8%	-1.1%
19	1.9%	0.059	0.49		-2.7%	0.356	-3.0%	-0.4%
18	3.5%	0.192	0.45		-1.8%	0.242	-2.3%	0.6%
17	5.3%	0.386	0.46		-1.2%	0.125	-2.3%	1.8%
16	7.6%	0.704	0.63	8.0%	-0.8%	0.051	-2.4%	4.5%
15	9.1%	0.822	0.74		-0.7%	0.035	-1.9%	6.6%
14	9.9%	0.842	0.77		-0.8%	0.044	-1.2%	7.4%
13	10.0%	0.814	0.77		-1.1%	0.054	-0.4%	7.4%
12	8.0%	0.853	0.89	5.7%	-1.4%	0.075	-0.1%	7.0%
11	6.7%	0.861	0.94		-1.5%	0.071	-0.4%	6.2%
10	5.9%	0.825	0.95		-1.7%	0.065	-0.8%	5.5%
9	6.1%	0.784	0.95		-2.1%	0.071	1.2%	5.7%
8	7.1%	0.808	0.96	36.5%	-2.6%	0.082	5.9%	6.7%
7	8.8%	0.889	0.97		-4.0%	0.129	9.8%	8.4%
6	8.0%	0.822	0.97		-6.6%	0.223	16.6%	7.6%
5	7.1%	0.693	0.97		-11.0%	0.371	23.0%	6.6%
4	2.4%	0.798	1.00	380.4%	-18.0%	0.544	33.1%	2.4%
3	3.6%	0.900	1.00		-29.2%	0.720	39.3%	3.6%

**Paid Pure Premium**

Quarters of Trend	Arkansas				Countrywide			Credibility Weighted
	NW Calendar Year Ending 2008/4	R <sup>2</sup>	Z*	NW Accident Year Ending 2008/3 Non-NW Fast Track Ending 2008/3	NW Calendar Year Ending 2008/4	R <sup>2</sup>	Non-NW Fast Track Ending 2008/3	
24	3.6%	0.147	0.48	6.9%	4.4%	0.566		4.0%
23	3.6%	0.137	0.43		5.0%	0.644		4.4%
22	4.2%	0.161	0.39		5.7%	0.714		5.1%
21	5.6%	0.254	0.36		6.3%	0.774		6.0%
20	7.0%	0.338	0.36	14.4%	6.9%	0.801	4.2%	6.9%
19	8.8%	0.454	0.38		7.3%	0.811	4.5%	7.9%
18	10.2%	0.516	0.39		7.8%	0.822	4.7%	8.7%
17	10.5%	0.484	0.38		8.2%	0.816	3.8%	9.1%
16	10.4%	0.438	0.38	8.5%	8.3%	0.794	2.9%	9.1%
15	9.4%	0.350	0.39		8.3%	0.759	3.2%	8.7%
14	6.0%	0.207	0.45		8.1%	0.713	3.9%	7.2%
13	2.9%	0.063	0.51		7.9%	0.654	5.0%	5.4%
12	-0.5%	0.002	0.60	-10.6%	7.7%	0.588	5.9%	2.8%
11	-2.0%	0.032	0.62		7.4%	0.508	6.1%	1.6%
10	-0.6%	0.002	0.62		6.3%	0.377	6.7%	2.0%
9	1.5%	0.011	0.63		5.0%	0.228	9.9%	2.8%
8	3.3%	0.037	0.62	41.0%	3.2%	0.085	16.7%	3.3%
7	1.6%	0.007	0.58		0.3%	0.001	22.0%	1.1%
6	-8.3%	0.179	0.66		-3.7%	0.080	27.9%	-6.7%
5	-19.0%	0.637	0.79		-8.7%	0.266	30.7%	-16.8%
4	-26.0%	0.726	0.79	370.4%	-16.1%	0.498	33.7%	-23.9%
3	-40.9%	0.997	0.99		-27.8%	0.729	39.8%	-40.6%

\* Z is the credibility assigned to the statewide calendar year trend, based on the formula  $N/(N+K)$ , where  $K = [(1-R2STATE)S2STATE]/[(1-R2COUNTRYWIDE)S2COUNTRYWIDE]$ . N is the latest year's earned exposures (25,711), and K=5,000 is the credibility constant for the selected policy forms.

**Arkansas Homeowners**  
**Nationwide Mutual Fire Insurance Company**  
**Exponential Regression on Four Quarter Ending Trend Data as of December 31, 2008**  
**Non-Weather, With Losses Capped at \$60,000**  
**Tenants / HO-4 (NC)**  
**Average Paid Cost**

Quarters of Trend	Arkansas			Countrywide			Credibility Weighted
	NW Calendar Year Ending 2008/4	R <sup>2</sup>	Z*	NW Accident Year Ending 2008/3	Non-NW Fast Track Ending 2008/3	NW Calendar Year Ending 2008/4	
24	-1.2%	0.002	0.01	-7.2%		5.9%	5.8%
23	-1.7%	0.003	0.01			5.9%	5.8%
22	-1.7%	0.003	0.01			6.3%	6.2%
21	-2.7%	0.007	0.01			6.6%	6.5%
20	-4.0%	0.013	0.00	-7.4%	5.1%	7.1%	7.1%
19	-9.2%	0.068	0.00		5.3%	7.2%	7.2%
18	-17.5%	0.296	0.01		5.3%	7.0%	6.8%
17	-24.3%	0.577	0.01		4.0%	7.0%	6.7%
16	-28.7%	0.712	0.02	-31.8%	2.4%	7.0%	6.3%
15	-32.1%	0.775	0.02		-0.4%	7.0%	6.2%
14	-35.0%	0.810	0.03		-2.1%	6.6%	5.4%
13	-38.0%	0.844	0.03		-3.3%	5.8%	4.5%
12	-41.9%	0.893	0.04	-38.9%	-4.1%	5.2%	3.3%
11	-45.8%	0.939	0.07		-3.2%	5.7%	2.1%
10	-47.8%	0.939	0.07		-2.3%	6.7%	2.9%
9	-46.2%	0.918	0.10		1.0%	7.5%	2.1%
8	-47.1%	0.894	0.11		5.1%	7.3%	1.3%
7	-45.5%	0.841	0.07		10.8%	4.3%	0.8%
6	-40.3%	0.749	0.01		12.5%	0.5%	0.1%
5	-38.6%	0.607	0.01		10.1%	-0.5%	-0.9%
4	-24.6%	0.262	0.01		11.6%	-1.6%	-1.8%
3	24.8%	0.266	0.05		-3.6%	0.3%	1.5%

**Paid Claim Frequency**

Quarters of Trend	Arkansas			Countrywide			Credibility Weighted
	NW Calendar Year Ending 2008/4	R <sup>2</sup>	Z*	NW Accident Year Ending 2008/3	Non-NW Fast Track Ending 2008/3	NW Calendar Year Ending 2008/4	
24	4.5%	0.122	0.21	4.8%		-0.6%	0.5%
23	6.2%	0.206	0.18			0.4%	1.4%
22	7.8%	0.292	0.15			1.4%	2.4%
21	9.2%	0.343	0.12			2.3%	3.1%
20	10.3%	0.368	0.09	12.2%	-0.5%	3.2%	3.8%
19	11.9%	0.419	0.08		0.1%	3.9%	4.5%
18	13.6%	0.459	0.07		0.9%	4.6%	5.2%
17	16.6%	0.563	0.07		1.3%	5.0%	5.8%
16	18.8%	0.598	0.08	19.7%	1.7%	5.2%	6.3%
15	21.5%	0.636	0.09		1.8%	5.1%	6.6%
14	25.1%	0.697	0.11		1.8%	4.9%	7.1%
13	29.7%	0.763	0.14		2.1%	4.6%	8.1%
12	36.2%	0.860	0.21	43.0%	2.7%	4.1%	10.8%
11	40.0%	0.871	0.24		3.3%	3.5%	12.3%
10	41.7%	0.848	0.24		5.0%	3.0%	12.3%
9	34.6%	0.814	0.29		8.1%	2.7%	12.0%
8	26.8%	0.768	0.37		11.2%	2.6%	11.6%
7	21.6%	0.653	0.41		16.2%	1.7%	9.9%
6	10.6%	0.546	0.65		22.4%	-1.1%	6.5%
5	8.2%	0.314	0.62		24.4%	-6.0%	2.8%
4	13.1%	0.395	0.58		27.3%	-14.0%	1.7%
3	20.0%	0.389	0.44		30.5%	-28.0%	-6.9%

**Paid Pure Premium**

Quarters of Trend	Arkansas			Countrywide			Credibility Weighted
	NW Calendar Year Ending 2008/4	R <sup>2</sup>	Z*	NW Accident Year Ending 2008/3	Non-NW Fast Track Ending 2008/3	NW Calendar Year Ending 2008/4	
24	3.3%	0.024	0.10	-2.8%		5.2%	5.0%
23	4.4%	0.038	0.09			6.4%	6.2%
22	6.1%	0.062	0.06			7.8%	7.7%
21	6.2%	0.057	0.05			9.0%	8.9%
20	5.9%	0.045	0.03	3.9%	4.5%	10.5%	10.4%
19	1.7%	0.004	0.03		5.4%	11.3%	11.0%
18	-6.2%	0.099	0.04		6.2%	11.9%	11.2%
17	-11.7%	0.418	0.07		5.4%	12.4%	10.7%
16	-15.3%	0.640	0.12	-18.4%	4.1%	12.6%	9.3%
15	-17.5%	0.711	0.15		1.4%	12.5%	8.0%
14	-18.6%	0.707	0.15		-0.3%	11.8%	7.2%
13	-19.7%	0.695	0.15		-1.2%	10.6%	6.1%
12	-20.8%	0.679	0.16	-12.7%	-1.4%	9.5%	4.7%
11	-24.1%	0.745	0.20		0.0%	9.4%	2.7%
10	-26.0%	0.738	0.21		2.6%	10.0%	2.4%
9	-27.6%	0.713	0.22		9.2%	10.4%	2.0%
8	-32.9%	0.794	0.29		16.9%	10.1%	-2.4%
7	-33.7%	0.733	0.28		28.7%	6.1%	-5.0%
6	-33.9%	0.636	0.21		37.7%	-0.6%	-7.6%
5	-33.6%	0.493	0.17		38.9%	-6.5%	-11.1%
4	-14.7%	0.103	0.20		42.1%	-15.4%	-15.3%
3	49.8%	0.893	0.79		25.8%	-27.9%	33.5%

\* Z is the credibility assigned to the statewide calendar year trend, based on the formula  $N/(N+K)$  where  $K = \frac{[(1-R^2_{STATE})/s^2_{STATE}]/[(1-R^2_{COUNTRYWIDE})/s^2_{COUNTRYWIDE}]}{N}$  is the latest year's earned exposures (1,943) and K=1,000 is the credibility constant for the selected policy forms

**Arkansas Homeowners**  
**Nationwide Mutual Fire Insurance Company**  
**Exponential Regression on Four Quarter Ending Trend Data as of December 31, 2008**  
**Non-Weather, With Losses Capped at \$30,000**  
**Condominiums / HO-6 (NC), Comprehensive Condominiums**  
**Average Paid Cost**

Quarters of Trend	Arkansas			Countrywide			Credibility Weighted
	NW Calendar Year Ending 2008/4	R <sup>2</sup>	Z*	NW Accident Year Ending 2008/3	Non-NW Fast Track Ending 2008/3	NW Calendar Year Ending 2008/4	
24	3.3%	0.015	0.00	-7.4%		8.9%	8.9%
23	-0.1%	0.000	0.00			8.9%	8.9%
22	-3.7%	0.021	0.00			8.8%	8.8%
21	-7.3%	0.079	0.00			8.4%	8.4%
20	-3.4%	0.018	0.00	-11.8%	-3.0%	7.9%	7.9%
19	1.3%	0.003	0.00		-2.5%	7.4%	7.4%
18	5.6%	0.047	0.00		-2.4%	7.2%	7.2%
17	10.7%	0.153	0.00		-2.8%	6.7%	6.7%
16	9.0%	0.099	0.00	-13.4%	-3.8%	6.1%	6.1%
15	1.6%	0.005	0.00		-8.4%	5.4%	5.4%
14	-2.0%	0.007	0.00		-11.3%	3.9%	3.9%
13	-7.5%	0.096	0.00		-13.4%	2.8%	2.8%
12	-10.6%	0.157	0.00	-58.6%	-13.8%	1.6%	1.6%
11	-10.7%	0.127	0.00		-11.4%	0.3%	0.3%
10	-9.6%	0.081	0.00		-11.2%	-0.3%	-0.3%
9	-3.2%	0.007	0.00		-10.2%	-0.6%	-0.6%
8	1.5%	0.001	0.00		-9.9%	-1.2%	-1.2%
7	-22.1%	0.423	0.00		-12.6%	-1.2%	-1.2%
6	-34.1%	0.745	0.00		-9.9%	-1.3%	-1.3%
5	-45.1%	0.931	0.00		-7.9%	-1.8%	-1.8%
4	-52.5%	0.980	0.00		2.5%	-3.6%	-3.6%
3	-55.8%	0.971	0.01		10.0%	-2.9%	-2.9%

**Paid Claim Frequency**

Quarters of Trend	Arkansas			Countrywide			Credibility Weighted
	NW Calendar Year Ending 2008/4	R <sup>2</sup>	Z*	NW Accident Year Ending 2008/3	Non-NW Fast Track Ending 2008/3	NW Calendar Year Ending 2008/4	
24	-1.1%	0.003	0.01	7.4%		-4.0%	-4.0%
23	2.5%	0.015	0.01			-3.2%	-3.2%
22	2.8%	0.017	0.01			-2.4%	-2.4%
21	0.1%	0.000	0.01			-1.9%	-1.9%
20	-3.8%	0.033	0.01	-4.4%	1.5%	-1.3%	-1.3%
19	-7.1%	0.116	0.01		2.9%	-0.8%	-0.8%
18	-8.9%	0.157	0.00		4.4%	-0.1%	-0.1%
17	-10.1%	0.175	0.00		5.0%	0.5%	0.5%
16	-11.9%	0.206	0.00	-8.6%	6.5%	1.1%	1.1%
15	-15.9%	0.320	0.00		8.2%	1.1%	1.1%
14	-19.5%	0.409	0.01		10.2%	0.9%	0.9%
13	-22.7%	0.466	0.01		12.7%	1.0%	1.0%
12	-20.1%	0.354	0.01	5.1%	10.6%	1.2%	1.2%
11	-14.7%	0.201	0.01		9.7%	1.6%	1.6%
10	-10.2%	0.085	0.01		10.7%	1.8%	1.8%
9	-7.6%	0.036	0.01		11.2%	0.6%	0.6%
8	-20.0%	0.226	0.01		16.0%	-1.2%	-1.2%
7	-33.5%	0.520	0.02		23.1%	-4.1%	-4.1%
6	-30.9%	0.361	0.02		23.2%	-7.2%	-7.2%
5	-25.6%	0.175	0.02		14.3%	-11.5%	-11.5%
4	-11.7%	0.020	0.02		19.4%	-17.4%	-17.4%
3	142.1%	0.788	0.13		24.3%	-5.3%	-5.3%

**Paid Pure Premium**

Quarters of Trend	Arkansas			Countrywide			Credibility Weighted
	NW Calendar Year Ending 2008/4	R <sup>2</sup>	Z*	NW Accident Year Ending 2008/3	Non-NW Fast Track Ending 2008/3	NW Calendar Year Ending 2008/4	
24	2.1%	0.005	0.00	-0.6%		4.5%	4.5%
23	2.4%	0.005	0.00			5.3%	5.3%
22	-1.0%	0.001	0.00			6.0%	6.0%
21	-7.3%	0.056	0.00			6.4%	6.4%
20	-7.1%	0.047	0.00	-15.7%	-1.6%	6.5%	6.5%
19	-5.9%	0.028	0.00		0.3%	6.7%	6.7%
18	-3.8%	0.010	0.00		2.0%	7.2%	7.2%
17	-0.5%	0.000	0.00		2.1%	7.3%	7.3%
16	-4.0%	0.009	0.00	-20.9%	2.4%	7.2%	7.2%
15	-14.5%	0.134	0.00		-0.9%	6.6%	6.6%
14	-21.1%	0.258	0.00		-2.3%	5.1%	5.1%
13	-28.5%	0.425	0.00		-2.5%	4.0%	4.0%
12	-28.6%	0.368	0.00	-56.5%	-4.6%	3.0%	3.0%
11	-23.8%	0.240	0.00		-2.8%	2.1%	2.1%
10	-18.8%	0.128	0.00		-1.7%	1.5%	1.5%
9	-10.6%	0.032	0.00		-0.2%	0.1%	0.1%
8	-18.8%	0.079	0.00		4.5%	-2.1%	-2.1%
7	-48.1%	0.742	0.01		7.6%	-5.0%	-5.0%
6	-54.5%	0.761	0.01		11.0%	8.4%	8.4%
5	-59.2%	0.719	0.01		5.2%	-13.3%	-13.3%
4	-58.1%	0.547	0.00		22.4%	-20.5%	-20.5%
3	7.0%	0.043	0.08		36.8%	-26.2%	-26.2%

\* Z is the credibility assigned to the statewide calendar year trend, based on the formula  $N/(N+K)$ , where  $K = K \cdot [(1-R2STATE)S2STATE] / [(1-R2COUNTRYWIDE)S2COUNTRYWIDE]$ . N is the latest year's earned exposures @ 265, and K=1,000 is the credibility constant for the selected policy forms.



**Arkansas Homeowners**  
**Nationwide Mutual Fire Insurance Company**  
**Exponential Regression on Four Quarter Ending Trend Data as of December 31, 2008**  
**Non-Weather, With Losses Capped at \$75,000**  
**Mobile Home - Broad, Mobile Home - Comprehensive**

**Average Paid Cost**

Quarters of Trend	Arkansas				Countrywide			Credibility Weighted
	NW Calendar Year Ending 2008/4	R <sup>2</sup>	Z*	NW Accident Year Ending 2008/3 Non-NW Fast Track	NW Calendar Year Ending 2008/4	R <sup>2</sup>	Non-NW Fast Track	
24	-13.4%	0.105	0.00	-24.9%	7.7%	0.892		7.7%
23	-13.1%	0.089	0.00		7.7%	0.878		7.7%
22	-11.9%	0.065	0.00		7.7%	0.863		7.7%
21	-8.0%	0.027	0.00		7.7%	0.845		7.7%
20	-3.3%	0.004	0.00	-15.8%	7.1%	0.832		7.1%
19	3.4%	0.004	0.00		6.6%	0.813		6.6%
18	12.8%	0.049	0.00		6.3%	0.780		6.3%
17	22.9%	0.128	0.00		5.9%	0.739		5.9%
16	36.3%	0.254	0.00	-10.2%	5.9%	0.705		5.9%
15	49.9%	0.360	0.01		6.1%	0.678		6.5%
14	64.1%	0.438	0.01		6.6%	0.673		7.2%
13	70.2%	0.422	0.01		7.1%	0.668		7.7%
12	66.4%	0.346	0.01	12.8%	7.7%	0.663		8.3%
11	50.7%	0.220	0.00		8.0%	0.623		8.0%
10	34.5%	0.106	0.00		6.8%	0.501		6.8%
9	-6.4%	0.008	0.01		6.1%	0.381		6.0%
8	-34.4%	0.339	0.01		4.7%	0.220		4.3%
7	-29.5%	0.195	0.01		0.9%	0.011		0.6%
6	-17.9%	0.050	0.01		-1.3%	0.016		-1.5%
5	6.8%	0.004	0.00		-8.6%	0.659		-8.6%
4	169.4%	0.632	0.01		-9.6%	0.562		-7.8%
3	20.1%	0.090	0.03		-8.7%	0.294		-7.8%

**Paid Claim Frequency**

Quarters of Trend	Arkansas				Countrywide			Credibility Weighted
	NW Calendar Year Ending 2008/4	R <sup>2</sup>	Z*	NW Accident Year Ending 2008/3 Non-NW Fast Track	NW Calendar Year Ending 2008/4	R <sup>2</sup>	Non-NW Fast Track	
24	2.1%	0.020	0.03	-0.5%	-6.2%	0.828		-6.0%
23	3.7%	0.057	0.03		-5.9%	0.809		-5.6%
22	4.1%	0.063	0.02		-5.6%	0.787		-5.4%
21	3.2%	0.035	0.02		-5.1%	0.762		-4.9%
20	3.0%	0.027	0.02	-2.5%	-4.7%	0.733		-4.5%
19	1.7%	0.008	0.01		-4.3%	0.692		-4.2%
18	0.7%	0.001	0.01		-4.0%	0.639		-4.0%
17	-1.2%	0.003	0.01		-4.1%	0.611		-4.1%
16	-2.0%	0.007	0.01	-1.2%	-4.4%	0.598		-4.4%
15	-2.8%	0.012	0.01		-4.7%	0.603		-4.7%
14	-0.4%	0.000	0.01		-5.0%	0.589		-5.0%
13	3.8%	0.015	0.01		-4.9%	0.526		-4.8%
12	5.4%	0.023	0.01	13.8%	-5.1%	0.482		-5.0%
11	11.9%	0.085	0.01		-4.9%	0.404		-4.7%
10	12.4%	0.070	0.01		-5.1%	0.354		-4.9%
9	2.3%	0.002	0.01		-6.5%	0.430		-6.4%
8	-13.7%	0.093	0.02		-8.2%	0.487		-8.3%
7	-29.3%	0.377	0.02		-10.0%	0.520		-10.4%
6	-44.0%	0.661	0.04		-12.3%	0.540		-13.6%
5	-45.4%	0.550	0.04		-14.6%	0.512		-15.8%
4	-43.9%	0.358	0.03		-21.4%	0.632		-22.1%
3	-25.6%	0.060	0.02		-33.3%	0.805		-33.1%

**Paid Pure Premium**

Quarters of Trend	Arkansas				Countrywide			Credibility Weighted
	NW Calendar Year Ending 2008/4	R <sup>2</sup>	Z*	NW Accident Year Ending 2008/3 Non-NW Fast Track	NW Calendar Year Ending 2008/4	R <sup>2</sup>	Non-NW Fast Track	
24	-11.6%	0.073	0.01	-25.3%	1.0%	0.061		0.9%
23	-9.9%	0.048	0.01		1.3%	0.093		1.2%
22	-8.2%	0.029	0.01		1.7%	0.142		1.6%
21	-5.0%	0.010	0.01		2.2%	0.193		2.1%
20	-0.3%	0.000	0.01	-17.9%	2.1%	0.167		2.1%
19	5.2%	0.008	0.01		2.0%	0.134		2.0%
18	13.6%	0.045	0.01		2.0%	0.114		2.1%
17	21.5%	0.090	0.01		1.5%	0.063		1.7%
16	33.6%	0.173	0.01	-11.3%	1.3%	0.041		1.6%
15	45.7%	0.242	0.01		1.1%	0.024		1.5%
14	63.4%	0.336	0.01		1.2%	0.024		1.8%
13	76.8%	0.365	0.01		1.8%	0.042		2.6%
12	75.4%	0.305	0.01	28.3%	2.3%	0.050		3.0%
11	68.5%	0.227	0.01		2.7%	0.056		3.4%
10	51.2%	0.126	0.01		1.3%	0.011		1.8%
9	-4.2%	0.002	0.01		-0.8%	0.004		-0.8%
8	-43.4%	0.499	0.03		-3.8%	0.057		-5.0%
7	-50.1%	0.524	0.02		-9.2%	0.256		-10.0%
6	-54.0%	0.468	0.02		-13.4%	0.357		-14.2%
5	-41.7%	0.214	0.02		-21.9%	0.605		-22.3%
4	51.2%	0.348	0.16		-29.0%	0.654		-16.2%
3	-10.6%	0.036	0.22		-39.1%	0.680		-32.8%

\* Z is the credibility assigned to the statewide calendar year trend, based on the formula  $N/(N+K)$ , where  $K = [(1-R^2_{STATE})/(1-R^2_{COUNTRYWIDE})]$ ; N is the latest year's earned exposures (0.424), and K=1.000 is the credibility constant for the selected policy forms.

**Arkansas Homeowners**  
**Nationwide Mutual Fire Insurance Company**  
**Calendar Year Loss Trends**  
**Non-Weather Losses , With Losses Capped at \$200,000**  
**Elite / HO3, Golden Blanket / HO5, Market Value, Market Value Plus**

Four Quarters Ending	Arkansas		Countrywide	
	Average Paid Cost	Paid Frequency (per 100)	Average Paid Claim Cost	Paid Claim Frequency (per 100)
2004/1	7,421	3.428	6,042	3.146
2004/2	6,635	3.461	6,361	2.997
2004/3	5,945	3.290	6,702	2.802
2004/4	5,976	3.256	6,960	2.658
2005/1	6,441	2.843	7,314	2.529
2005/2	6,301	2.637	7,596	2.472
2005/3	7,485	2.510	7,721	2.475
2005/4	8,966	2.300	7,974	2.467
2006/1	9,652	2.556	8,008	2.505
2006/2	10,407	2.742	7,967	2.507
2006/3	9,688	2.900	8,300	2.487
2006/4	8,939	2.986	8,574	2.484
2007/1	8,124	3.019	8,864	2.460
2007/2	7,794	2.912	9,188	2.457
2007/3	8,504	2.998	9,521	2.472
2007/4	9,480	3.028	9,639	2.509
2008/1	8,721	3.230	9,724	2.548
2008/2	9,179	3.233	9,826	2.561
2008/3	8,119	3.245	9,801	2.579
2008/4	6,933	3.290	9,921	2.155

**Arkansas Homeowners  
Nationwide Mutual Fire Insurance Company  
Calendar Year Loss Trends  
Non-Weather Losses , With Losses Capped at \$60,000  
Tenants / HO-4 (NC)**

Four Quarters Ending	Arkansas		Countrywide	
	Average Paid Cost	Paid Frequency (per 100)	Average Paid Claim Cost	Paid Claim Frequency (per 100)
2004/1	2,610	1.801	3,408	1.568
2004/2	1,976	1.732	3,349	1.522
2004/3	3,228	1.898	3,499	1.460
2004/4	5,659	1.634	3,565	1.410
2005/1	7,372	1.627	3,608	1.387
2005/2	8,293	1.675	3,581	1.389
2005/3	8,372	1.654	3,589	1.422
2005/4	8,014	1.693	3,783	1.431
2006/1	8,227	1.435	4,074	1.459
2006/2	9,671	1.361	4,152	1.500
2006/3	11,006	1.190	4,089	1.537
2006/4	7,952	1.415	4,017	1.564
2007/1	7,583	1.744	3,909	1.561
2007/2	6,679	1.844	4,113	1.550
2007/3	4,856	2.318	4,453	1.583
2007/4	4,542	2.510	4,496	1.630
2008/1	3,711	2.486	4,566	1.677
2008/2	2,719	2.396	4,520	1.733
2008/3	2,450	2.769	4,452	1.766
2008/4	3,038	2.625	4,526	1.470

**Arkansas Homeowners  
Nationwide Mutual Fire Insurance Company  
Calendar Year Loss Trends  
Non-Weather Losses , With Losses Capped at \$30,000  
Condominiums / HO-6 (NC), Comprehensive Condominiums**

Four Quarters Ending	Arkansas		Countrywide	
	Average Paid Cost	Paid Frequency (per 100)	Average Paid Claim Cost	Paid Claim Frequency (per 100)
2004/1	15,847	1.843	3,105	2.783
2004/2	11,609	2.632	3,332	2.701
2004/3	10,451	2.966	3,295	2.615
2004/4	4,684	2.881	3,403	2.532
2005/1	3,157	2.419	3,502	2.384
2005/2	5,344	2.789	3,427	2.382
2005/3	5,227	3.137	3,710	2.396
2005/4	7,060	5.058	3,871	2.415
2006/1	8,850	5.019	3,990	2.432
2006/2	9,032	3.831	4,257	2.386
2006/3	10,155	3.053	4,349	2.309
2006/4	8,217	1.880	4,354	2.339
2007/1	4,343	2.206	4,427	2.377
2007/2	7,306	3.636	4,410	2.439
2007/3	8,376	3.226	4,387	2.494
2007/4	9,231	2.867	4,367	2.540
2008/1	9,016	2.888	4,441	2.573
2008/2	7,966	1.455	4,389	2.543
2008/3	6,109	2.214	4,305	2.627
2008/4	5,295	2.264	4,336	2.168

**Arkansas Homeowners**  
**Nationwide Mutual Fire Insurance Company**  
**Calendar Year Loss Trends**  
**Non-Weather Losses , With Losses Capped at \$75,000**  
**Mobile Home - Broad, Mobile Home - Comprehensive**

Four Quarters Ending	Arkansas		Countrywide	
	Average Paid Cost	Paid Frequency (per 100)	Average Paid Claim Cost	Paid Claim Frequency (per 100)
2004/1	10,862	1.684	3,954	3.168
2004/2	10,459	1.852	4,246	3.014
2004/3	7,088	1.766	4,331	2.829
2004/4	6,270	2.104	4,630	2.778
2005/1	4,124	2.171	4,751	2.735
2005/2	3,099	2.844	4,881	2.757
2005/3	1,795	2.932	4,912	2.821
2005/4	1,312	2.229	4,941	2.741
2006/1	1,127	2.645	4,882	2.758
2006/2	1,557	1.880	4,668	2.677
2006/3	1,052	1.423	4,974	2.551
2006/4	2,380	1.479	5,039	2.581
2007/1	9,217	1.908	5,010	2.605
2007/2	8,221	2.372	5,469	2.610
2007/3	6,842	3.462	5,380	2.622
2007/4	6,964	3.158	5,981	2.536
2008/1	2,294	2.832	5,933	2.542
2008/2	4,329	2.461	5,634	2.559
2008/3	5,833	1.379	5,854	2.521
2008/4	4,744	2.123	5,383	2.090

**Arkansas Homeowners  
Nationwide Mutual Fire Insurance Company  
Determination of Non-Hurricane Wind and Hail Only Pure Premium  
\*Based on Wind and Hail Losses less Hurricane Losses  
Elite / HO3, Golden Blanket / HO5, Market Value, Market Value Plus**

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Four Calendar Quarters Ending	Earned Exposures	Incurred Cost & DCC Severity	Severity Projection Factor	Projected Severity	Severity Weight	Incurred Claim Frequency (per 100)	Frequency Projection Factor	Projected Frequency	Frequency Weight	Historical Pure Premium	Projected Pure Premium
1986/4	8,467	1,375	3.507	4,822	1	3.106	1.000	3.106	1	42.71	149.77
1987/4	7,811	1,331	3.327	4,428	1	2.368	1.000	2.368	1	31.52	104.86
1988/4	7,394	2,808	3.157	8,865	1	2.042	1.000	2.042	1	57.34	181.02
1989/4	7,374	1,538	2.995	4,606	1	7.120	1.000	7.120	1	109.51	327.95
1990/4	7,679	2,218	2.842	6,304	1	2.982	1.000	2.982	1	66.14	187.99
1991/4	8,092	1,369	2.696	3,691	1	2.966	1.000	2.966	1	40.60	109.48
1992/4	8,775	1,507	2.558	3,855	1	3.692	1.000	3.692	1	55.64	142.33
1993/4	9,905	1,618	2.427	3,927	1	1.535	1.000	1.535	1	24.84	60.28
1994/4	11,503	2,597	2.303	5,981	1	4.555	1.000	4.555	1	118.29	272.43
1995/4	13,113	3,071	2.185	6,710	1	3.592	1.000	3.592	1	110.31	241.02
1996/4	14,748	5,265	2.073	10,914	0.5	11.337	1.000	11.337	0.5	596.89	1,237.32
1997/4	16,279	3,903	1.966	7,673	1	3.299	1.000	3.299	1	128.76	253.13
1998/4	17,957	2,380	1.866	4,441	1	2.990	1.000	2.990	1	71.16	132.79
1999/4	19,550	3,177	1.770	5,623	1	7.765	1.000	7.765	1	246.69	436.63
2000/4	20,717	1,952	1.679	3,277	1	3.707	1.000	3.707	1	72.36	121.48
2001/4	21,694	1,828	1.593	2,912	1	4.817	1.000	4.817	1	88.05	140.27
2002/4	21,951	3,522	1.512	5,325	1	4.861	1.000	4.861	1	171.20	258.85
2003/4	23,302	3,652	1.434	5,237	1	4.085	1.000	4.085	1	149.18	213.93
2004/4	24,387	2,854	1.361	3,884	1	3.592	1.000	3.592	1	102.52	139.51
2005/4	25,483	3,779	1.291	4,879	1	2.143	1.000	2.143	1	80.98	104.56
2006/4	26,526	5,902	1.225	7,230	1	5.632	1.000	5.632	1	332.40	407.19
2007/4	26,813	4,071	1.162	4,731	1	2.227	1.000	2.227	1	90.66	105.36
2008/4	25,711	6,652	1.103	7,337	1	10.443	1.000	10.443	0.5	694.67	766.20
Wld Avg		2.922		5,386		4.089		4.089		119.48	220.23

m=	5.507	m=	4.385	151.41	264.97
s=	1.923	s=	2.561	171.68	261.75
m-2s=	1.661	m-2s=	-0.737	-191.95	-258.53
m-1s=	3.584	m-1s=	1.824	-20.27	3.22
m+1s=	7.430	m+1s=	6.946	323.09	526.72
m+2s=	9.353	m+2s=	9.507	494.77	788.47

	Retro	Pro	Selected
Severity Trend	5.4%	5.0%	A. Selected Weather Severity: 5,386
Frequency Trend	0.0%	0.0%	B. Selected Weather Frequency (per 100): 4.089
Pure Premium Trend	5.4%	5.0%	C. Wind/Hail Pure Premium = (A) × (B) + 100: 220.23

	Projected
(12) Linearly Projected Severity	4,672
(13) Linearly Projected Frequency	5.37
(14) Linearly Projected Pure Premium	261.15

1 Wind and Hail Earned Exposures

2 Wind and Hail severity, excluding hurricane losses

3. = (1+Selected Retrospective Severity Trend)(Years of Retrospective Trend) + (1+Selected Prospective Severity Trend)(Years of Prospective Trend)

4. = (2) × (3)

5 Judgmentally selected weight assigned to calendar year severity.

6 Wind and Hail frequency per 100 exposures, excluding hurricane losses

7. = (1+Selected Retrospective Frequency Trend)(Years of Retrospective Trend) + (1+Selected Prospective Frequency Trend)(Years of Prospective Trend)

8 = (6) × (7)

9 Judgmentally selected weight assigned to calendar year frequency.

10 = (2) × (6) + 100

11 = (4) × (8) + 100

**Arkansas Homeowners  
Nationwide Mutual Fire Insurance Company**  
\*Determination of Non-Hurricane, Non-Wind, and Non-Hail Pure Premium  
Based on Total Weather Losses less Wind and Hail and Hurricane Losses  
Elite / HO3, Golden Blanket / HO5, Market Value, Market Value Plus

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Four Calendar Quarters Ending	Earned Exposures	Incurred Cost & DCC Severity	Severity Projection Factor	Projected Severity	Severity Weight	Incurred Claim Frequency (per 100)	Frequency Projection Factor	Projected Frequency	Frequency Weight	Historical Pure Premium	Projected Pure Premium
1986/4	8,467	846	7.379	6,243	1	2.126	0.457	0.972	1	17.99	60.68
1987/4	7,811	661	6.789	4,488	1	1.920	0.473	0.908	1	12.69	40.75
1988/4	7,394	773	6.245	4,827	1	2.204	0.490	1.080	1	17.04	52.13
1989/4	7,374	2,564	5.745	14,730	0.5	2.360	0.508	1.199	1	60.51	176.61
1990/4	7,679	846	5.286	4,472	1	2.370	0.527	1.249	1	20.05	55.86
1991/4	8,092	902	4.863	4,386	1	2.138	0.546	1.167	1	19.28	51.18
1992/4	8,775	1,123	4.473	5,023	1	1.812	0.566	1.026	1	20.35	51.54
1993/4	9,905	867	4.115	3,568	1	1.797	0.586	1.053	1	15.58	37.57
1994/4	11,503	1,057	3.786	4,002	1	2.478	0.607	1.504	1	26.19	60.19
1995/4	13,113	1,124	3.483	3,915	1	1.823	0.629	1.147	1	20.49	44.91
1996/4	14,748	1,481	3.204	4,745	1	2.068	0.652	1.348	1	30.63	63.96
1997/4	16,279	1,392	2.948	4,104	1	1.818	0.676	1.229	1	25.31	50.44
1998/4	17,957	1,826	2.712	4,952	1	1.593	0.700	1.115	1	29.09	55.21
1999/4	19,550	1,485	2.495	3,705	1	2.041	0.726	1.482	1	30.31	54.91
2000/4	20,717	1,793	2.295	4,115	1	1.965	0.752	1.478	1	35.23	60.82
2001/4	21,694	1,848	2.111	3,901	1	4.969	0.779	3.871	0.5	91.83	151.01
2002/4	21,951	1,848	1.942	3,589	1	1.553	0.808	1.255	1	28.70	45.04
2003/4	23,302	1,881	1.787	3,361	1	1.219	0.837	1.020	1	22.93	34.28
2004/4	24,387	3,716	1.644	6,109	1	1.169	0.867	1.014	1	43.44	61.95
2005/4	25,483	2,430	1.512	3,674	1	1.087	0.899	0.977	1	26.41	35.89
2006/4	26,526	5,372	1.391	7,472	1	0.905	0.931	0.843	1	48.62	62.99
2007/4	26,813	5,386	1.280	6,894	1	0.873	0.965	0.842	1	47.02	58.05
2008/4	25,711	8,265	1.178	9,736	1	1.023	1.000	1.023	1	84.55	99.60
Wld Avg		2,142		5,095		1.815		1.194		38.88	60.83

m= 5,305  
s= 2,555  
m-2s= 195  
m-1s= 2,750  
m+1s= 7,860  
m+2s= 10,415

m= 1.252  
s= 0.602  
m-2s= 0.048  
m-1s= 0.650  
m+1s= 1.854  
m+2s= 2.456

33.66  
20.87  
-8.08  
12.79  
54.53  
75.40

Selected

Severity Trend 8.7%  
Frequency Trend -3.5%  
Pure Premium Trend 4.9%

Retro 8.7%  
Pro 8.5%  
0.0%  
8.5%

A. Selected Weather Severity: 5,095  
B. Selected Weather Frequency (per 100): 1.194  
C. Other Weather Pure Premium = (A) × (B) + 100: 60.83

	Projected
(12) Linearly Projected Severity	4,255
(13) Linearly Projected Frequency	1.34
(14) Linearly Projected Pure Premium	51.18

1. Earned Exposures

2. Non-Wind and Hail severity, excluding hurricane losses

3 = (1+Selected Retrospective Severity Trend)(Years of Retrospective Trend) + (1+Selected Prospective Severity Trend)(Years of Prospective Trend)

4 = (2) × (3)

5 Judgmentally selected weight assigned to calendar year severity.

6 Non-Wind and Hail frequency per 100 exposures, excluding hurricane losses

7 = (1+Selected Retrospective Frequency Trend)(Years of Retrospective Trend) + (1+Selected Prospective Frequency Trend)(Years of Prospective Trend)

8 = (6) × (7)

9 Judgmentally selected weight assigned to calendar year frequency

10 = (2) × (6) + 100

11 = (4) × (8) + 100

**Arkansas Homeowners  
Nationwide Mutual Fire Insurance Company  
Determination of Non-Hurricane Weather Pure Premium  
Based on Total Weather Losses less Hurricane Losses  
Tenants / HO-4 (NC)**

(1)		(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Four Calendar Quarters Ending	Earned Exposures	Incurred Cost & DCC Severity	Severity Projection Factor	Projected Severity	Severity Weight	Incurred Claim Frequency (per 100)	Frequency Projection Factor	Projected Frequency	Frequency Weight	Historical Pure Premium	Projected Pure Premium
1986/4	1,326	259	6.343	1,643	1	1.282	0.355	0.455	1	3.32	7.48
1987/4	983	166	5.873	975	1	0.916	0.372	0.341	1	1.52	3.32
1988/4	933	793	5.438	4,312	1	1.179	0.390	0.460	1	9.35	19.84
1989/4	917	257	5.035	1,294	1	1.636	0.409	0.669	1	4.20	8.66
1990/4	956	375	4.662	1,748	1	1.674	0.428	0.716	1	6.28	12.52
1991/4	941	453	4.317	1,956	1	0.956	0.449	0.429	1	4.33	8.39
1992/4	904	369	3.997	1,475	1	0.442	0.471	0.208	1	1.63	3.07
1993/4	923	296	3.701	1,095	1	0.650	0.493	0.320	1	1.92	3.50
1994/4	1,026	523	3.427	1,792	1	0.585	0.517	0.302	1	3.06	5.41
1995/4	1,058	715	3.173	2,269	1	0.567	0.542	0.307	1	4.05	6.97
1996/4	1,147	3,807	2.938	11,185	1	1.395	0.568	0.792	1	53.11	88.59
1997/4	1,176	1,762	2.720	4,793	1	0.850	0.596	0.507	1	14.98	24.30
1998/4	1,294	520	2.519	1,310	1	0.618	0.624	0.386	1	3.21	5.06
1999/4	1,774	522	2.332	1,217	1	0.620	0.655	0.406	1	3.24	4.94
2000/4	2,092	1,219	2.159	2,632	1	0.478	0.686	0.328	1	5.83	8.63
2001/4	2,091	1,215	1.999	2,429	1	1.148	0.719	0.825	1	13.95	20.04
2002/4	1,802	1,288	1.851	2,384	1	0.610	0.754	0.460	1	7.86	10.97
2003/4	1,626	2,040	1.714	3,497	1	0.492	0.790	0.389	1	10.04	13.60
2004/4	1,652	956	1.587	1,517	1	0.242	0.828	0.200	1	2.31	3.03
2005/4	1,713	867	1.470	1,274	1	0.584	0.868	0.507	1	5.06	6.46
2006/4	1,767	1,307	1.361	1,779	1	0.396	0.910	0.360	1	5.18	6.40
2007/4	1,833	843	1.260	1,062	1	0.382	0.954	0.364	1	3.22	3.87
2008/4	1,943	1,699	1.167	1,983	1	1.081	1.000	1.081	1	18.37	21.44
Wtd Avg		967		2,418		0.817		0.470		7.90	11.36

m=	2,418	m=	0.470	8.09	12.89
s=	2,155	s=	0.214	10.80	17.68
m-2s=	-1,892	m-2s=	0.042	-13.51	-22.47
m-1s=	263	m-1s=	0.256	-2.71	-4.79
m+1s=	4,573	m+1s=	0.684	18.89	30.57
m+2s=	6,728	m+2s=	0.898	29.69	48.25

	Retro	Pro		Selected
Severity Trend	8.0%	8.0%	A. Selected Weather Severity:	2,418
Frequency Trend	-4.6%	0.0%	B. Selected Weather Frequency (per 100):	0.470
Pure Premium Trend	3.0%	8.0%	C. Projected Weather Pure Premium= (A)×(B)+100:	11.36

	Projected
(12) Linearly Projected Severity	1,620
(13) Linearly Projected Frequency	0.39
(14) Linearly Projected Pure Premium	9.86

- Earned Exposures
- Wind and water severity, excluding hurricane losses
- $= (1 + \text{Selected Retrospective Severity Trend})(\text{Years of Retrospective Trend}) * (1 + \text{Selected Prospective Severity Trend})(\text{Years of Prospective Trend})$
- $= (2) \times (3)$
- Judgmentally selected weight assigned to calendar year severity.
- Wind and water frequency per 100 exposures, excluding hurricane losses
- $= (1 + \text{Selected Retrospective Frequency Trend})(\text{Years of Retrospective Trend}) * (1 + \text{Selected Prospective Frequency Trend})(\text{Years of Prospective Trend})$
- $= (6) \times (7)$
- Judgmentally selected weight assigned to calendar year frequency.
- $= (2) \times (6) + 100$
- $= (4) \times (8) + 100$



**Arkansas Homeowners  
Nationwide Mutual Fire Insurance Company  
Determination of Non-Hurricane Weather Pure Premium  
Based on Total Weather Losses less Hurricane Losses  
Condominiums / HO-6 (NC), Comprehensive Condominiums**

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Four Calendar Quarters Ending	Earned Exposures	Incurred Cost & DCC Severity	Severity Projection Factor	Projected Severity	Severity Weight	Incurred Claim Frequency (per 100)	Frequency Projection Factor	Projected Frequency	Frequency Weight	Historical Pure Premium	Projected Pure Premium
1986/4	43	0	2.033			0.000	1.000			0.00	
1987/4	45	0	1.974			0.000	1.000			0.00	
1988/4	48	0	1.916			0.000	1.000			0.00	
1989/4	39	539	1.860	1,003	1	5.128	1.000	5.128	1	27.64	51.43
1990/4	34	848	1.806	1,531	1	5.882	1.000	5.882	1	49.88	90.05
1991/4	40	0	1.754			0.000	1.000			0.00	
1992/4	49	0	1.703			0.000	1.000			0.00	
1993/4	63	0	1.653			0.000	1.000			0.00	
1994/4	84	0	1.605			0.000	1.000			0.00	
1995/4	105	0	1.558			0.000	1.000			0.00	
1996/4	131	327	1.513	495	1	1.527	1.000	1.527	1	4.99	7.56
1997/4	145	1,179	1.469	1,732	1	0.690	1.000	0.690	1	8.14	11.95
1998/4	157	1,610	1.426	2,296	1	1.274	1.000	1.274	1	20.51	29.25
1999/4	176	0	1.384			0.000	1.000			0.00	
2000/4	193	913	1.344	1,227	1	0.518	1.000	0.518	1	4.73	6.36
2001/4	188	2,363	1.305	3,084	1	2.660	1.000	2.660	1	62.86	82.03
2002/4	182	608	1.267	770	1	1.648	1.000	1.648	1	10.02	12.69
2003/4	207	696	1.230	856	1	0.483	1.000	0.483	1	3.36	4.13
2004/4	243	2,477	1.194	2,958	1	1.235	1.000	1.235	1	30.59	36.53
2005/4	257	0	1.159			0.000	1.000			0.00	
2006/4	266	2,794	1.126	3,146	1	0.376	1.000	0.376	1	10.51	11.83
2007/4	279	344	1.093	376	1	0.358	1.000	0.358	1	1.23	1.35
2008/4	265	4,050	1.061	4,297	1	0.755	1.000	0.755	1	30.58	32.44
Wtd Avg		1,442		1,829		1.733		1.733		24.99	31.70

m=	1.829	m=	1.733		11.52	29.05
s=	1.225	s=	1.801		17.55	29.32
m-2s=	-621	m-2s=	-1.869		-23.58	-29.59
m-1s=	604	m-1s=	-0.068		-6.03	-0.27
m+1s=	3,054	m+1s=	3.534		29.07	58.37
m+2s=	4,279	m+2s=	5.335		46.62	87.69

	Retro	Pro		Selected
Severity Trend	3.0%	3.0%	A. Selected Weather Severity:	1.829
Frequency Trend	0.0%	0.0%	B. Selected Weather Frequency (per 100):	1.733
Pure Premium Trend	3.0%	3.0%	C. Projected Weather Pure Premium= (A)×(B)+100:	31.70

	Projected
(12) Linearly Projected Severity	1.889
(13) Linearly Projected Frequency	0.45
(14) Linearly Projected Pure Premium	13.28

- Earned Exposures
- Wind and water severity, excluding hurricane losses
- $= (1 + \text{Selected Retrospective Severity Trend})(\text{Years of Retrospective Trend}) * (1 + \text{Selected Prospective Severity Trend})(\text{Years of Prospective Trend})$
- $= (2) \times (3)$
- Judgmentally selected weight assigned to calendar year severity.
- Wind and water frequency per 100 exposures, excluding hurricane losses
- $= (1 + \text{Selected Retrospective Frequency Trend})(\text{Years of Retrospective Trend}) * (1 + \text{Selected Prospective Frequency Trend})(\text{Years of Prospective Trend})$
- $= (6) \times (7)$
- Judgmentally selected weight assigned to calendar year frequency.
- $= (2) \times (6) \div 100$
- $= (4) \times (8) \div 100$

**Arkansas Homeowners  
Nationwide Mutual Fire Insurance Company  
Determination of Non-Hurricane Weather Pure Premium  
Based on Total Weather Losses less Hurricane Losses  
Mobile Home - Broad, Mobile Home - Comprehensive**

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Four Calendar Quarters Ending	Earned Exposures	Incurred Cost & DCC Severity	Severity Projection Factor	Projected Severity	Severity Weight	Incurred Claim Frequency (per 100)	Frequency Projection Factor	Projected Frequency	Frequency Weight	Historical Pure Premium	Projected Pure Premium
1986/4	1,225	974	3.087	3,007	1	3.102	1.580	4.901	1	30.21	147.37
1987/4	988	786	2.948	2,317	1	2.024	1.547	3.131	1	15.91	72.55
1988/4	828	640	2.816	1,802	1	2.415	1.515	3.659	1	15.46	65.94
1989/4	763	1,346	2.690	3,621	1	5.898	1.484	8.753	1	79.39	316.95
1990/4	745	1,618	2.569	4,157	1	3.221	1.454	4.683	1	52.12	194.67
1991/4	668	868	2.453	2,129	1	3.144	1.424	4.477	1	27.29	95.32
1992/4	596	356	2.343	834	1	1.510	1.394	2.105	1	5.38	17.56
1993/4	566	921	2.238	2,061	1	3.004	1.366	4.103	1	27.67	84.56
1994/4	562	1,141	2.138	2,439	1	3.203	1.338	4.286	1	36.55	104.54
1995/4	553	870	2.042	1,777	1	3.255	1.310	4.264	1	28.32	75.77
1996/4	570	2,635	1.950	5,138	1	4.561	1.283	5.852	1	120.18	300.68
1997/4	588	8,685	1.863	16,180	1	4.762	1.257	5.986	1	413.58	968.53
1998/4	636	1,921	1.779	3,417	1	2.201	1.231	2.709	1	42.28	92.57
1999/4	718	1,463	1.699	2,486	1	5.432	1.206	6.551	1	79.47	162.86
2000/4	790	1,631	1.623	2,647	1	6.456	1.181	7.625	1	105.30	201.83
2001/4	846	369	1.550	572	1	6.501	1.157	7.522	1	23.99	43.03
2002/4	835	1,387	1.480	2,053	1	2.395	1.133	2.714	1	33.22	55.72
2003/4	783	1,638	1.414	2,316	1	4.087	1.110	4.537	1	66.95	105.08
2004/4	713	1,188	1.350	1,604	1	2.525	1.087	2.745	1	30.00	44.03
2005/4	628	2,713	1.290	3,500	1	3.025	1.064	3.219	1	82.07	112.67
2006/4	541	4,709	1.232	5,801	1	4.621	1.042	4.815	1	217.60	279.32
2007/4	475	2,886	1.177	3,397	1	2.526	1.021	2.579	1	72.90	87.61
2008/4	424	6,848	1.124	7,697	1	9.434	1.000	9.434	1	646.04	726.13
Wtd Avg		2,069		3,520		3.883		4.811		80.34	169.35

m=	3,520	m=	4.811		97.91	189.36
s=	3,190	s=	2.034		148.04	226.24
m-2s=	-2,860	m-2s=	0.743		-198.17	-263.12
m-1s=	330	m-1s=	2.777		-50.13	-36.88
m+1s=	6,710	m+1s=	6.845		245.95	415.60
m+2s=	9,900	m+2s=	8.879		393.99	641.84

	Retro	Pro		Selected
Severity Trend	4.7%	6.0%	A. Selected Weather Severity:	3.520
Frequency Trend	2.1%	0.0%	B. Selected Weather Frequency (per 100):	4.811
Pure Premium Trend	6.9%	6.0%	C. Projected Weather Pure Premium= (A)×(B)+100:	169.35

	Projected
(12) Linearly Projected Severity	3,574
(13) Linearly Projected Frequency	4.91
(14) Linearly Projected Pure Premium	196.97

- Earned Exposures
- Wind and water severity, excluding hurricane losses
- = (1+Selected Retrospective Severity Trend)(Years of Retrospective Trend) \* (1+Selected Prospective Severity Trend)(Years of Prospective Trend)
- = (2) × (3)
- Judgmentally selected weight assigned to calendar year severity.
- Wind and water frequency per 100 exposures, excluding hurricane losses
- = (1+Selected Retrospective Frequency Trend)(Years of Retrospective Trend) \* (1+Selected Prospective Frequency Trend)(Years of Prospective Trend)
- = (6) × (7)
- Judgmentally selected weight assigned to calendar year frequency.
- = (2) × (6) + 100
- = (4) × (8) + 100

**Arkansas Homeowners**  
**Nationwide Mutual Fire Insurance Company**  
**Effective: 8/18/2009**  
**Protection Class Factors**  
**Homeowners**

PPC	Construction Type	Current Factors	Proposed Factors
1	frame		
2	frame	1.099	1.099
3	frame	1.099	1.099
4	frame	1.177	1.177
5	frame	1.177	1.177
6	frame	1.311	1.311
7	frame	1.458	1.402
8 & 8B	frame	2.099	1.486
9	frame	2.677	1.573
10	frame	3.794	3.794
1	masonry		
2	masonry	1.000	1.000
3	masonry	1.000	1.000
4	masonry	1.041	1.041
5	masonry	1.041	1.041
6	masonry	1.177	1.177
7	masonry	1.320	1.231
8 & 8B	masonry	1.787	1.388
9	masonry	2.265	1.838
10	masonry	3.097	3.097

[illegible]

Description	Proposed Rate per \$1,000							ALL OTHER: 5% Deductible Rate per \$1000							FRAME 10% Deductible Rate per \$1000						
	Zones							Zones							Zones						
	1	2	3	4	5	6	7	1	2	3	4	5	6	7	1	2	3	4	5	6	7
HO Form w/o Extended Repl. Cost Option	-	-	0.46	0.46	0.36	0.36	0.22	-	-	0.52	0.52	0.41	0.41	0.28	-	-	0.34	0.34	0.27	0.23	0.15
HO Form w/ Extended Repl. Cost Option	-	-	0.46	0.46	0.36	0.36	0.22	-	-	0.52	0.52	0.41	0.41	0.28	-	-	0.34	0.34	0.27	0.23	0.15
TN Form	-	-	0.36	0.36	0.29	0.29	0.16	-	-	0.36	0.36	0.29	0.29	0.16	-	-	0.27	0.27	0.23	0.17	0.11
CO Form w/o Extended Repl. Cost Option	-	-	0.34	0.21	0.21	0.21	0.16	-	-	0.36	0.36	0.29	0.26	0.16	-	-	0.27	0.18	0.14	0.13	0.11
CO Form w/ Extended Repl. Cost Option	-	-	0.34	0.21	0.21	0.21	0.16	-	-	0.36	0.36	0.29	0.26	0.16	-	-	0.27	0.18	0.14	0.13	0.11
Pers. Prop. HO Inc. of Basic Cov. C Limit or Inc. Occ.	-	-	0.36	0.31	0.29	0.29	0.16	-	-	0.36	0.36	0.29	0.29	0.16	-	-	0.27	0.27	0.19	0.15	0.11
Other Structures, Inc. of Basic Cov. B Limit	-	-	0.46	0.46	0.36	0.36	0.22	-	-	0.52	0.52	0.41	0.41	0.28	-	-	0.34	0.34	0.27	0.23	0.15
Losses of Use	-	-	0.36	0.31	0.29	0.29	0.16	-	-	0.36	0.36	0.29	0.29	0.16	-	-	0.27	0.27	0.19	0.15	0.11
Add. and Alt. for CO and TN	-	-	0.36	0.31	0.29	0.29	0.16	-	-	0.36	0.36	0.29	0.29	0.16	-	-	0.27	0.27	0.19	0.15	0.11
Losses of Assessment Option (all forms excl. TN)	-	-	0.46	0.31	0.31	0.31	0.22	-	-	0.52	0.52	0.41	0.39	0.28	-	-	0.34	0.27	0.22	0.20	0.15
MH Form w/o Extended Repl. Cost Option	-	-	0.46	0.46	0.36	0.36	0.22	-	-	0.52	0.52	0.41	0.41	0.28	-	-	0.34	0.34	0.27	0.23	0.15
MH Form w/ Extended Repl. Cost Option	-	-	0.46	0.46	0.36	0.36	0.22	-	-	0.52	0.52	0.41	0.41	0.28	-	-	0.34	0.34	0.27	0.23	0.15
Pers. Prop. HO Inc. of Basic Cov. C Limit or Inc. Occ.	-	-	0.36	0.31	0.29	0.29	0.16	-	-	0.36	0.36	0.29	0.29	0.16	-	-	0.27	0.27	0.19	0.15	0.11
Other Structures, Inc. of Basic Cov. C Limit or Inc. Only	-	-	0.46	0.46	0.36	0.36	0.22	-	-	0.52	0.52	0.41	0.41	0.28	-	-	0.34	0.34	0.27	0.23	0.15
Loss of Use	-	-	0.36	0.31	0.29	0.29	0.16	-	-	0.36	0.36	0.29	0.29	0.16	-	-	0.27	0.27	0.19	0.15	0.11

Current Rate per \$1,000													
ALL OTHER: 10% Deductible Rate per \$1000							ALL OTHER: 15% Deductible Rate per \$1000						
Zones							Zones						
1	2	3	4	5	6	7	1	2	3	4	5	6	7
0.61	0.61	0.28	0.28	0.21	0.21	0.18	-	-	-	-	-	-	-
0.61	0.61	0.28	0.28	0.21	0.21	0.18	-	-	-	-	-	-	-
0.34	0.34	0.17	0.17	0.13	0.13	0.11	-	-	-	-	-	-	-
0.34	0.34	0.17	0.17	0.13	0.13	0.11	-	-	-	-	-	-	-
0.34	0.34	0.17	0.17	0.13	0.13	0.11	-	-	-	-	-	-	-
0.34	0.34	0.17	0.17	0.13	0.13	0.11	-	-	-	-	-	-	-
0.61	0.61	0.28	0.28	0.21	0.21	0.18	-	-	-	-	-	-	-
0.34	0.34	0.17	0.17	0.13	0.13	0.11	-	-	-	-	-	-	-
0.61	0.61	0.28	0.28	0.21	0.21	0.18	-	-	-	-	-	-	-
0.61	0.61	0.28	0.28	0.21	0.21	0.18	-	-	-	-	-	-	-

Proposed Rate per \$1,000							'FRAME: 15% Deductible Rate per \$1000							ALL OTHERS: 15% Deductible Rate per \$1000							
Zones							Zones							Zones							
1	2	3	4	5	6	7	1	2	3	4	5	6	7	1	2	3	4	5	6	7	
-	-	-	0.38	0.38	0.31	0.25	0.18	0.75	0.75	0.27	0.27	0.22	0.19	0.12	0.92	0.92	0.30	0.30	0.25	0.20	0.14
-	-	-	0.38	0.38	0.31	0.25	0.18	0.75	0.75	0.27	0.27	0.22	0.19	0.12	0.92	0.92	0.30	0.30	0.25	0.20	0.14
-	-	-	0.27	0.27	0.23	0.23	0.11	0.51	0.51	0.22	0.22	0.18	0.14	0.09	0.51	0.51	0.22	0.22	0.18	0.18	0.09
-	-	-	0.27	0.27	0.23	0.21	0.11	0.51	0.51	0.22	0.14	0.12	0.10	0.09	0.51	0.51	0.22	0.22	0.18	0.17	0.09
-	-	-	0.27	0.27	0.23	0.23	0.11	0.51	0.51	0.22	0.14	0.12	0.10	0.09	0.51	0.51	0.22	0.22	0.18	0.17	0.09
-	-	-	0.38	0.38	0.31	0.25	0.18	0.75	0.75	0.27	0.27	0.22	0.19	0.12	0.92	0.92	0.30	0.30	0.25	0.20	0.14
-	-	-	0.27	0.27	0.23	0.23	0.11	0.51	0.51	0.22	0.22	0.15	0.12	0.09	0.51	0.51	0.22	0.22	0.18	0.18	0.09
-	-	-	0.27	0.27	0.23	0.23	0.11	0.51	0.51	0.22	0.22	0.15	0.12	0.09	0.51	0.51	0.22	0.22	0.18	0.18	0.09
-	-	-	0.38	0.38	0.31	0.30	0.18	0.75	0.75	0.27	0.22	0.18	0.16	0.12	0.92	0.92	0.30	0.30	0.25	0.24	0.14
-	-	-	0.38	0.38	0.31	0.25	0.18	0.75	0.75	0.27	0.27	0.22	0.19	0.12	0.92	0.92	0.30	0.30	0.25	0.20	0.14
-	-	-	-	-	-	-	-	0.75	0.75	0.27	0.27	0.22	0.19	0.12	0.92	0.92	0.30	0.30	0.25	0.20	0.14
-	-	-	-	-	-	-	-	0.75	0.75	0.27	0.27	0.22	0.19	0.12	0.92	0.92	0.30	0.30	0.25	0.20	0.14
-	-	-	-	-	-	-	-	0.75	0.75	0.27	0.27	0.22	0.19	0.12	0.92	0.92	0.30	0.30	0.25	0.20	0.14
-	-	-	-	-	-	-	-	0.51	0.51	0.22	0.22	0.15	0.12	0.09	0.51	0.51	0.22	0.22	0.18	0.18	0.09
-	-	-	-	-	-	-	-	0.75	0.75	0.27	0.27	0.22	0.19	0.12	0.92	0.92	0.30	0.30	0.25	0.20	0.14
-	-	-	-	-	-	-	-	0.51	0.51	0.22	0.22	0.15	0.12	0.09	0.51	0.51	0.22	0.22	0.18	0.18	0.09

**Arkansas Homeowners**  
**Nationwide Mutual Fire Insurance Company**  
**Earthquake Impact per Form**

Earthquake Zone	Homeowners		Tenants		Condominiums		Mobile Homeowner	
	EQ Premium	Impact	EQ Premium	Impact	EQ Premium	Impact	EQ Premium	Impact
1	323,571	18.1%	1,856	12.3%	877	31.6%	706	7.9%
2	1,790	0.0%	22	0.0%	0	0.0%	62	0.0%
3	7,997	30.1%	23	54.3%	0	0.0%	62	27.8%
4	4,630	27.3%	56	45.2%	0	0.0%	0	0.0%
5	3,494	38.0%	0	0.0%	0	0.0%	22	42.8%
6	71,245	33.0%	378	54.7%	503	28.9%	40	0.0%
7	46,273	0.0%	167	0.0%	342	0.0%	59	0.0%
Overall Impact		<b>18.9%</b>		<b>18.9%</b>		<b>24.5%</b>		<b>8.7%</b>

**Arkansas Homeowners**  
**Nationwide Mutual Fire Insurance Company**  
**Effective Date: August 18, 2009**  
**Financial Responsibility Class**

## Homeowners

FRC	2007 Earned Exposures	2007 Earned Premium	Current Factor	Proposed Factor	Impact	% Change after off-balance
1	622	190,204	0.49	0.49	0.00%	-1.31%
2	721	248,279	0.49	0.49	0.00%	-1.31%
3	752	248,099	0.49	0.49	0.00%	-1.31%
4	847	281,633	0.49	0.49	0.00%	-1.31%
5	726	245,094	0.53	0.53	0.00%	-1.31%
6	1,035	354,081	0.56	0.56	0.00%	-1.31%
7	902	334,968	0.58	0.58	0.00%	-1.31%
8	1,448	528,973	0.60	0.60	0.00%	-1.31%
9	1,176	438,616	0.62	0.62	0.00%	-1.31%
10	9,621	3,538,919	0.65	0.65	0.00%	-1.31%
11	2,217	876,252	0.68	0.68	0.00%	-1.31%
12	7,612	3,053,898	0.71	0.71	0.00%	-1.31%
13	2,716	1,188,819	0.74	0.74	0.00%	-1.31%
14	3,077	1,428,124	0.77	0.77	0.00%	-1.31%
15	2,984	1,430,539	0.81	0.81	0.00%	-1.31%
16	6,302	3,066,417	0.84	0.84	0.00%	-1.31%
17	2,437	1,306,280	0.88	0.88	0.00%	-1.31%
18	6,632	3,470,528	1.10	1.16	5.00%	3.62%
19	1,426	797,278	1.17	1.23	5.00%	3.62%
20	1,041	599,801	1.20	1.26	5.00%	3.62%
21	707	496,037	1.56	1.64	5.00%	3.62%
811A	412	147,345.47	0.77	0.77	0.00%	-1.31%
811B	419	109,411.09	0.56	0.59	5.00%	3.62%
812A	287	117,198.06	0.77	0.77	0.00%	-1.31%
812B	317	77,000.17	0.56	0.59	5.00%	3.62%
Total	56,439	24,573,794	0.78	0.79	1.33%	0.00%

**Arkansas Homeowners**  
**Nationwide Mutual Fire Insurance Company**  
**Effective Date: August 18, 2009**  
**Financial Responsibility Class**

## Tenants

FRC	2007 Earned Exposures	2007 Earned Premium	Current Factor	Proposed Factor	Impact	% Change after off-balance
1	103	9,486	0.50	0.50	0.00%	-2.55%
2	69	6,643	0.50	0.50	0.00%	-2.55%
3	64	6,451	0.50	0.50	0.00%	-2.55%
4	54	5,779	0.50	0.50	0.00%	-2.55%
5	65	6,587	0.54	0.54	0.00%	-2.55%
6	91	7,694	0.56	0.56	0.00%	-2.55%
7	87	8,814	0.58	0.58	0.00%	-2.55%
8	104	11,471	0.61	0.61	0.00%	-2.55%
9	139	15,140	0.63	0.63	0.00%	-2.55%
10	91	10,996	0.66	0.66	0.00%	-2.55%
11	108	12,912	0.68	0.68	0.00%	-2.55%
12	95	12,909	0.71	0.71	0.00%	-2.55%
13	114	14,158	0.74	0.74	0.00%	-2.55%
14	106	15,460	0.77	0.77	0.00%	-2.55%
15	103	15,252	0.81	0.81	0.00%	-2.55%
16	129	18,340	0.84	0.84	0.00%	-2.55%
17	159	24,945	0.88	0.88	0.00%	-2.55%
18	187	31,100	1.10	1.16	5.00%	2.32%
19	309	51,522	1.17	1.23	5.00%	2.32%
20	265	46,838	1.20	1.26	5.00%	2.32%
21	348	74,820	1.54	1.62	5.00%	2.32%
811A	33	5,130	0.94	0.88	-6.38%	-8.77%
811B	10	1,566	0.72	0.76	5.00%	2.32%
812A	31	4,224	0.92	0.88	-4.35%	-6.79%
812B	19	2,004	0.72	0.76	5.00%	2.32%
Total	2,883	420,242	0.91	0.94	2.62%	0.00%



**Arkansas Homeowners**  
**Nationwide Mutual Fire Insurance Company**  
**Effective Date: August 18, 2009**  
**Financial Responsibility Class**

Condominiums

FRC	2007 Earned Exposures	2007 Earned Premium	Current Factor	Proposed Factor	Impact	% Change after off-balance
1	19	2,393	0.48	0.48	0.00%	2.25%
2	30	3,750	0.48	0.48	0.00%	2.25%
3	17	2,312	0.48	0.48	0.00%	2.25%
4	13	2,434	0.48	0.48	0.00%	2.25%
5	12	1,727	0.52	0.52	0.00%	2.25%
6	25	3,744	0.54	0.54	0.00%	2.25%
7	57	9,779	0.57	0.57	0.00%	2.25%
8	27	4,283	0.59	0.59	0.00%	2.25%
9	70	12,218	0.61	0.61	0.00%	2.25%
10	24	4,231	0.64	0.64	0.00%	2.25%
11	19	3,066	0.67	0.67	0.00%	2.25%
12	20	3,836	0.70	0.70	0.00%	2.25%
13	50	10,307	0.73	0.73	0.00%	2.25%
14	6	1,831	0.76	0.76	0.00%	2.25%
15	42	11,586	0.80	0.80	0.00%	2.25%
16	28	5,500	0.84	0.84	0.00%	2.25%
17	23	4,181	0.88	0.88	0.00%	2.25%
18	6	1,637	1.10	1.16	5.00%	7.36%
19	10	2,314	1.17	1.23	5.00%	7.36%
20	4	859	1.20	1.26	5.00%	7.36%
21	10	2,066	1.56	1.64	5.00%	7.36%
811A	33	5,130	0.85	0.67	-21.18%	-19.41%
811B	10	1,566	0.65	0.65	0.00%	2.25%
812A	31	4,224	0.84	0.67	-20.24%	-18.45%
812B	19	2,004	0.65	0.65	0.00%	2.25%
Total	605	106,977	0.69	0.68	-2.20%	0.00%

## **Response to the Arkansas Insurance Department's March 11, 2009 Objections**

For your convenience we have included the original objections in bold print with our response following.

### **Objection 1: HPCS-Homeowners Premium Comparison Survey (Supporting Document)**

#### **Comment:**

**Form HPCS must be submitted in Excel spreadsheet format. Companies may not change the form in any way or include formulas.**

Per your instructions, we have attached the HPCS – Homeowners Premium Comparison Survey in Excel format.

### **Objection 2:**

- **NAIC loss cost data entry document (Supporting Document)**
- **Transmittal Document (Supporting Document)**
- **Rate Filing Schedule (Supporting Document)**

**Comment: The rate change percentages on these three documents do not agree. Please explain.**

We apologize for the confusion. The rate changes described in the NAIC loss cost data entry document are limited to the indicated and requested policy form changes only. They do not include the effect on earthquake coverage. The Transmittal Document describes in section 21, Filing Memorandum, first paragraph, the overall premium level increase of 8.5 percent which does include the total premium impact for Homeowners, Tenants and Condominium policy forms as well as the earthquake premium change for those forms. The Rate Filing Schedule, in section 4a, also includes the overall requested premium increase of 8.5 percent. The overall indicated percent change was 13.6 percent. Balancing our rate need with our desire for rate stability we have requested only an 8.5 percent increase. We have revised the Changes By Policy Form section of the Memorandum found in the filing Form F 777 to further clarify the origin of the different rate level percentage changes. Also please refer to Exhibit 1 of the original filing for a more detailed description of the origin of the percents in question.

### **Objection 3:**

- **Homeowner Filing Exhibits (Supporting Documents)**

**Comment: Revised manual pages still show factors for PPC 11. Please explain since ISO does not provide a class 11.**

Thank you for bringing this point to our attention. We no longer use Protection Class 11 and have included with this response revised marked up Homeowners manual pages to reflect that fact. Please see Revised Insert B for Homeowners page H-13 to 15, and marked up pages H-17 and H-18 to 400 for details.

**Objection 4:**

- **Homeowner Filing Exhibits (Supporting Document)**

**Comment: Provide the loss experience to support the new financial responsibility factors. Only the earned exposures/premiums were provided.**

Please refer to Exhibit A included in our response for detailed loss experience. To increase the credibility of the data we compiled loss and premium information for the states listed in column (6) of the exhibit. The states listed were chosen because their Financial Responsibility Class (FRC) structure is similar to Arkansas's. From the total loss and premium data we calculated loss ratios (column 4) and relativities (column 5) based on the total average loss ratio. Please note that the loss ratio for the FRC group (18-21) (located at the bottom of the exhibit) is 12 percent higher than the average loss ratio for all states. To promote rate stability, we are only requesting a 5 percent increase in the 18 to 21 Financial Responsibility Class factors.

**Arkansas Homeowners**  
**Nationwide Mutual Fire Insurance Company**  
**Financial Responsibility Class Loss Ratios**  
**All Forms**

(1)	(2)	(3)	(4)	(5)	(6)
Financial Responsibility Class	Incurred Cost Amount	Earned Premium Amount	Loss Ratio	Indicated Change	States
1	4,204,675	6,683,692	62.9%	-20.5%	Arkansas
2	3,800,445	7,702,426	49.3%	-37.7%	Connecticut
3	6,007,855	8,605,806	69.8%	-11.8%	Delaware
4	6,579,684	9,180,354	71.7%	-9.4%	District Of Columbia
5	4,030,360	7,762,885	51.9%	-34.4%	Georgia
6	6,096,516	9,236,095	66.0%	-16.6%	Illinois
7	6,572,718	8,594,033	76.5%	-3.4%	Indiana
8	7,861,746	11,947,689	65.8%	-16.9%	Kentucky
9	6,215,579	9,900,574	62.8%	-20.7%	Maryland
10	9,748,184	11,721,473	83.2%	5.1%	Michigan
11	12,317,614	11,172,963	110.2%	39.3%	Mississippi
12	9,711,571	12,790,753	75.9%	-4.1%	New Hampshire
13	8,840,623	11,971,586	73.8%	-6.7%	North Carolina
14	10,778,929	12,501,346	86.2%	8.9%	Ohio
15	11,345,461	12,785,552	88.7%	12.1%	Pennsylvania
16	10,252,819	13,221,251	77.5%	-2.0%	Rhode Island
17	11,095,704	11,049,326	100.4%	26.9%	South Carolina
18	11,409,969	12,849,600	88.8%	12.2%	Texas
19	12,910,456	12,348,563	104.6%	32.1%	Virginia
20	8,555,767	10,183,027	84.0%	6.2%	West Virginia
21	8,179,119	10,828,288	75.5%	-4.6%	
Grand Total	176,515,794	223,037,280	79.1%	0.0%	
FRC 18-21	41,055,311	46,209,478	88.8%	12.3%	

<i>SERFF Tracking Number:</i>	<i>NWPC-126053050</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>Nationwide Mutual Fire Insurance Company.</i>	<i>State Tracking Number:</i>	<i>EFT \$100</i>
<i>Company Tracking Number:</i>	<i>09H-6177AR-JM</i>		
<i>TOI:</i>	<i>04.0 Homeowners</i>	<i>Sub-TOI:</i>	<i>04.0000 Homeowners Sub-TOI Combinations</i>
<i>Product Name:</i>	<i>Homeowners</i>		
<i>Project Name/Number:</i>	<i>Arkansas Homeowners/09H-6177AR-JM</i>		

## Superseded Attachments

Please note that all items on the following pages are items, which have been replaced by a newer version. The newest version is located with the appropriate schedule on previous pages. These items are in date order with most recent first.

<b>Original Date:</b>	<b>Schedule</b>	<b>Document Name</b>	<b>Replaced Date</b>	<b>Attach Document</b>
No original date	Supporting Document	HPCS-Homeowners Premium Comparison Survey	02/26/2009	HPCS 3-06i_08.pdf
No original date	Supporting Document	Transmittal Document	03/05/2009	AR Form F 777 .PDF
No original date	Supporting Document	HO Manual Pages	03/05/2009	AR Marked-UP HO Manual Pages.PDF

NAIC Number:	23779
Company Name:	Nationwide Mutual Fire Insurance Company
Contact Person:	Joseph A. Mesaros
Telephone No.:	(614)249-6647
Email Address:	mesaroj@nationwide.com
Effective Date:	8/18/2009

**Homeowners Premium Comparison Survey Form  
FORM HPCS - last modified August, 2005**

**Submit to:** Arkansas Insurance Department  
1200 West Third Street  
Little Rock, AR 72201-1904

**Telephone:** 501-371-2800

Email as an attachment to: [insurance.pnc@arkansas.gov](mailto:insurance.pnc@arkansas.gov)  
You may also attach to a SERFF filing or submit on a cdr disk

**USE THE APPROPRIATE FORM BELOW - IF NOT APPLICABLE, LEAVE  
BLANK**

Survey Form for HO3 (Homeowners) - Use \$500 Flat Deductible (Covers risk of direct physical loss for dwelling and other structures; named perils for personal property, replacement cost on dwelling, actual cash value on personal property)

Public Protection Class	Dwelling Value	Washington		Baxter		Craighead		St. Francis		Desha		Union		Miller		Sebastian		Pulaski	
		Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame
3	\$80,000	\$1,039.92	\$1,142.87	\$1,020.64	\$1,121.68	\$1,249.45	\$1,373.14	\$1,496.25	\$1,644.38	\$1,488.54	\$1,635.91	\$1,212.17	\$1,332.18	\$1,207.03	\$1,326.53	\$1,218.60	\$1,339.24	\$1,285.44	\$1,412.70
	\$120,000	\$1,345.21	\$1,478.38	\$1,320.27	\$1,450.97	\$1,616.25	\$1,776.25	\$1,935.50	\$2,127.12	\$1,925.53	\$2,116.16	\$1,568.02	\$1,723.26	\$1,561.37	\$1,715.95	\$1,576.34	\$1,732.40	\$1,662.80	\$1,827.42
	\$160,000	\$1,727.12	\$1,898.11	\$1,695.10	\$1,862.91	\$2,075.11	\$2,280.54	\$2,485.01	\$2,731.02	\$2,472.20	\$2,716.94	\$2,013.20	\$2,212.50	\$2,004.66	\$2,203.12	\$2,023.87	\$2,224.23	\$2,134.88	\$2,346.24
6	\$80,000	\$1,223.99	\$1,363.34	\$1,201.29	\$1,338.06	\$1,470.60	\$1,638.03	\$1,761.09	\$1,961.59	\$1,752.01	\$1,951.48	\$1,426.73	\$1,589.16	\$1,420.67	\$1,582.42	\$1,434.29	\$1,597.58	\$1,512.96	\$1,685.21
	\$120,000	\$1,583.31	\$1,763.57	\$1,553.95	\$1,730.87	\$1,902.32	\$2,118.90	\$2,278.09	\$2,537.45	\$2,266.35	\$2,524.37	\$1,845.57	\$2,055.68	\$1,837.74	\$2,046.96	\$1,855.35	\$2,066.58	\$1,957.12	\$2,179.94
	\$160,000	\$2,032.82	\$2,264.26	\$1,995.13	\$2,222.27	\$2,442.40	\$2,720.47	\$2,924.85	\$3,257.84	\$2,909.78	\$3,241.05	\$2,369.53	\$2,639.30	\$2,359.48	\$2,628.11	\$2,382.10	\$2,653.29	\$2,512.76	\$2,798.83
9	\$80,000	\$1,911.38	\$1,635.80	\$1,875.94	\$1,605.47	\$2,296.49	\$1,965.38	\$2,750.11	\$2,353.61	\$2,735.94	\$2,341.47	\$2,227.97	\$1,906.75	\$2,218.52	\$1,898.66	\$2,239.78	\$1,916.86	\$2,362.64	\$2,022.00
	\$120,000	\$2,472.49	\$2,116.01	\$2,426.65	\$2,076.78	\$2,970.66	\$2,542.36	\$3,557.46	\$3,044.55	\$3,539.12	\$3,028.86	\$2,882.03	\$2,466.50	\$2,869.80	\$2,456.04	\$2,897.31	\$2,479.58	\$3,056.23	\$2,615.59
	\$160,000	\$3,174.45	\$2,716.76	\$3,115.59	\$2,666.39	\$3,814.05	\$3,264.14	\$4,567.44	\$3,908.91	\$4,543.90	\$3,888.77	\$3,700.25	\$3,166.76	\$3,684.56	\$3,153.33	\$3,719.87	\$3,183.55	\$3,923.92	\$3,358.17

Survey Form for HO4 (Renters) - Use \$500 Flat Deductible (Named perils for personal property, actual cash value for loss, liability and medical payments for others included)

Public Protection Class	Property Value	Washington		Baxter		Craighead		St. Francis		Arkansas		Union		Miller		Sebastian		Pulaski	
		Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame
3	\$5,000	\$108.46	\$108.46	\$108.46	\$108.46	\$112.75	\$112.75	\$114.21	\$114.21	\$114.21	\$114.21	\$114.21	\$114.21	\$114.21	\$114.21	\$112.75	\$112.75	\$129.77	\$129.77
	\$15,000	\$174.94	\$174.94	\$174.94	\$174.94	\$181.85	\$181.85	\$184.21	\$184.21	\$184.21	\$184.21	\$184.21	\$184.21	\$184.21	\$184.21	\$181.85	\$181.85	\$209.31	\$209.31
	\$25,000	\$233.54	\$233.54	\$233.54	\$233.54	\$242.77	\$242.77	\$245.93	\$245.93	\$245.93	\$245.93	\$245.93	\$245.93	\$245.93	\$245.93	\$242.77	\$242.77	\$279.43	\$279.43
6	\$5,000	\$127.66	\$127.66	\$127.66	\$127.66	\$132.70	\$132.70	\$134.43	\$134.43	\$134.43	\$134.43	\$134.43	\$134.43	\$134.43	\$134.43	\$132.70	\$132.70	\$152.74	\$152.74
	\$15,000	\$205.90	\$205.90	\$205.90	\$205.90	\$214.04	\$214.04	\$216.82	\$216.82	\$216.82	\$216.82	\$216.82	\$216.82	\$216.82	\$216.82	\$214.04	\$214.04	\$246.36	\$246.36
	\$25,000	\$274.88	\$274.88	\$274.88	\$274.88	\$285.74	\$285.74	\$289.45	\$289.45	\$289.45	\$289.45	\$289.45	\$289.45	\$289.45	\$289.45	\$285.74	\$285.74	\$328.89	\$328.89
9	\$5,000	\$245.67	\$245.67	\$245.67	\$245.67	\$255.37	\$255.37	\$258.69	\$258.69	\$258.69	\$258.69	\$258.69	\$258.69	\$258.69	\$258.69	\$255.37	\$255.37	\$293.93	\$293.93
	\$15,000	\$396.24	\$396.24	\$396.24	\$396.24	\$411.89	\$411.89	\$417.24	\$417.24	\$417.24	\$417.24	\$417.24	\$417.24	\$417.24	\$417.24	\$411.89	\$411.89	\$474.09	\$474.09
	\$25,000	\$528.98	\$528.98	\$528.98	\$528.98	\$549.87	\$549.87	\$557.02	\$557.02	\$557.02	\$557.02	\$557.02	\$557.02	\$557.02	\$557.02	\$549.87	\$549.87	\$632.90	\$632.90

Survey Form for DP-2 (Dwelling/Fire) - Use \$500 Flat Deductible (Named perils for dwelling and personal property; replacement cost for dwelling, actual cash value for personal property, no liability coverage)

Public Protection Class	Dwelling Value	Washington		Baxter		Craighead		St. Francis		Arkansas		Union		Miller		Sebastian		Pulaski	
		Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame
3	\$80,000																		
	\$120,000																		
	\$160,000																		
6	\$80,000																		
	\$120,000																		
	\$160,000																		
9	\$80,000																		
	\$120,000																		
	\$160,000																		

**SPECIFY THE PERCENTAGE GIVEN FOR CREDITS OR DISCOUNTS FOR THE FOLLOWING:**

**HO3 and HO4 only**

Fire Extinguisher	5,7,10,15	%	Deadbolt Lock	5,7,10,15	%
Burglar Alarm	2,4,5,7,10,15	%	Window Locks		%
Smoke Alarm	2,4,5,7,10,15	%	\$1,000 Deductible	17	%
	Other (specify)				%
			Maximum Credit Allowed	29.5	%

**EARTHQUAKE INSURANCE**

**IMPORTANT, homeowners insurance does NOT automatically cover losses from earthquakes. Ask your agent about this coverage**

ARE YOU CURRENTLY WRITING EARTHQUAKE COVERAGE IN ARKANSAS?	yes	(yes or no)
WHAT IS YOUR PERCENTAGE DEDUCTIBLE?	5, 10	%
WHAT IS YOUR PRICE PER \$1,000 OF COVERAGE?		
Zone	Brick	Frame
Highest Risk	\$ 0.92	\$ 0.75
Lowest Risk	\$ 0.28	\$ 0.22

**Property & Casualty Transmittal Document**

<b>1. Reserved for Insurance Dept. Use Only</b>	<b>2. Insurance Department Use only</b>	
	a. Date the filing is received:	
	b. Analyst:	
	c. Disposition:	
	d. Date of disposition of the filing:	
	e. Effective date of filing:	
	New Business	
	Renewal Business	
	f. State Filing #:	
	g. SERFF Filing #:	
h. Subject Codes		

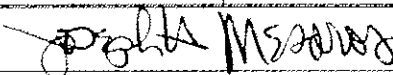
<b>3. Group Name</b>	<b>Group NAIC #</b>
Nationwide Insurance Companies	140

4. Company Name(s)	Domicile	NAIC #	FEIN #	State #
Nationwide Mutual Fire Insurance Company	OH	23779	31-4177110	03

<b>5. Company Tracking Number</b>	09H-6177AR-JM
-----------------------------------	---------------

**Contact Info of Filer(s) or Corporate Officer(s)** [include toll-free number]

6. Name and address	Title	Telephone #s	FAX #	e-mail
Joseph A. Mesaros One Nationwide Plaza 01-19-18 Columbus, OH 43215	Sr. Pricing Analyst	(800)882-2822 Ext. 96647	(614)249-5113	mesaroj@nationwide.com

<b>7. Signature of authorized filer</b>	
<b>8. Please print name of authorized filer</b>	Joseph A. Mesaros

**Filing information** (see General Instructions for descriptions of these fields)

<b>9. Type of Insurance (TOI)</b>	Homeowners
<b>10. Sub-Type of Insurance (Sub-TOI)</b>	Homeowners Sub-TOI Combinations
<b>11. State Specific Product code(s) (if applicable)[See State Specific Requirements]</b>	NA

<b>12. Company Program Title</b> (Marketing title)	NA
<b>13. Filing Type</b>	<input type="checkbox"/> Rate/Loss Cost <input type="checkbox"/> Rules <input checked="" type="checkbox"/> Rates/Rules <input type="checkbox"/> Forms <input type="checkbox"/> Combination Rates/Rules/Forms <input type="checkbox"/> Withdrawal <input type="checkbox"/> Other (give description)
<b>14. Effective Date(s) Requested</b>	New: 8/18/2009                      Renewal: 8/18/2009
<b>15. Reference Filing?</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>16. Reference Organization</b> (if applicable)	
<b>17. Reference Organization # &amp; Title</b>	
<b>18. Company's Date of Filing</b>	
<b>19. Status of filing in domicile</b>	<input checked="" type="checkbox"/> Not Filed <input type="checkbox"/> Pending <input type="checkbox"/> Authorized <input type="checkbox"/> Disapproved

### Property & Casualty Transmittal Document—

<b>20. This filing transmittal is part of Company Tracking #</b>	<b>09H-6177AR-JM</b>
--	----------------------

<b>21. Filing Description</b> [This area can be used in lieu of a cover letter or filing memorandum and is free-form text]
--

#### FILING MEMORANDUM

Outlined herein are the details and supporting data relating to the changes in Homeowners rates.

#### STATEWIDE CHANGE

The indication developed in this filing for all policy forms combined is based on an assumed effective date of August 18, 2009. Exhibit II shows five years of homeowners experience ending September 30, 2008, evaluated as of December 31, 2008, by form for the Nationwide Mutual Fire Insurance Company. Exhibit I shows the indicated rate changes as well as our proposed rate changes by policy forms. The effect of all the changes for all policy forms is a statewide premium level increase of 8.5 percent.

In the prior review we increased base rates for the homeowners form by 7.0 percent with the revision effective August 23, 2008. The indicated rate need for the homeowners form at that time was 13.7 percent. We did raise the rate for tenants and condominiums by 10% with the last rate review.

#### Earned Premium

We have adjusted the earned premiums on Exhibit II, row (1), to current rate level. They are further modified by the premium projection factors shown in row (2). These factors reflect past and anticipated future increases in the average amount of insurance, deductible, and territory relativities.

#### Accident Year Losses

The following adjustments to losses are summarized in rows (4) through (15) of Exhibit II:

- The actual losses have been adjusted to ultimate accident year costs. We removed losses greater than \$140,000 for the Homeowners policy form. The losses were developed; then, the large losses were added back into the estimated ultimate losses.  
  
The ultimate losses represent the ultimate cost expected when all claims are finally closed. Row (4) of Exhibit II shows the estimated ultimate accident year loss costs for all non-weather causes combined.
- The loss cost projection factors, shown in row (5) of Exhibit II, reflect changes that have occurred in average loss costs levels from the midpoint of each year to the present. They also reflect the change anticipated from the present to the future average claim date, assuming an effective date of August 18, 2009. Exhibit IV reflects the determination of the non-weather loss projection factors. Row (11) shows the projected estimated ultimate loss costs. Exhibit VI shows the Arkansas and Companywide paid loss trend data for all four policy forms.
- The calendar year weather losses are decomposed into their frequency and severity components. The average long-term frequency is calculated after adjusting for outlying annual frequencies. This average



frequency is used as the estimate of the expected weather frequency in the prospective period. The projected weather severity is calculated as the average of the projected weather severities for each year after adjusting for outlying yearly severities. The severity for each calendar year is projected to the prospective period using the selected severity trend. The loss trend for homeowners does not include hurricane losses and is divided into wind and hail and other weather. The weather loss trends for tenants, condominiums and mobile homes do not split wind and hail from other weather. The weather severity loss trends can be viewed in Exhibits VII and VIII.

The expected frequency and severity are used to calculate the expected weather pure premium for the prospective period, also shown on Exhibits VII and VIII. The expected weather pure premium is multiplied by a provision for allocated loss adjustment expenses. This adjusted weather pure premium determines the expected future weather losses and allocated loss adjustment expenses for each experience year in the calculation of the indicated rate level. The projected weather losses are shown in row (8) of Exhibit II.

4. The estimated loss ratios in row (12) of Exhibit II are calculated as the ratio of the projected estimated ultimate loss costs in row (11) of Exhibit II to the projected current level earned premium in row (3) of Exhibit II, and then are averaged, with greater weight given to the more recent years to be responsive to changes in the portfolio or loss climate.

#### Projected Expense Adjustments

Fixed Expenses, which include General Expense, Other Acquisition, and Unallocated Loss Adjustment, are calculated as a percentage of projected current-leveled earned premium.

#### **Fixed Expenses**

<b>Homeowners</b>	<b>15.3%</b>
<b>Tenants</b>	<b>26.9%</b>
<b>Condominium</b>	<b>21.1%</b>
<b>Mobile Homeowners</b>	<b>15.6%</b>

The average projected fixed expense is exposure-weighted across all five years as shown on Exhibit II, row (18).

#### Permissible Loss, Loss Adjustment, and Fixed Expense Ratio

The 61.8 percent permissible loss, loss adjustment, and fixed expense ratio is derived using the components of the variable expense ratio of 28.2 percent, which includes the average commission and brokerage ratio for all agency states, the state premium tax rate, plus an allowance for miscellaneous taxes, licenses, and fees based on Companywide data.

Permissible Loss, Loss Adjustment, and Fixed Expense Ratio  
(100% - Variable Expenses - 10% Profit Provision) = 61.8 percent

Exhibit XIII is the Companies' Financial Needs Model, which demonstrates the need for a 10.0 percent loading for underwriting gain and contingencies, considering total investment income from all sources.

#### **CHANGES BY POLICY FORM**

The table below shows a summary of the proposed rate level and earthquake changes by policy form:

<u>Policy Form</u>	<u>Percent Change</u>
Homeowners	8.8%
Tenant	0.1%
Condo	0.4%
Mobile Homeowners	0.0%
<b>Total</b>	<b>8.5%</b>

#### Base Rates

Effective March 1, 2007

We are revising base rates for Homeowners, Tenants, and Condominiums forms as reflected on draft manual pages H-13, H-17, and H-18.

Financial Responsibility Rating Factor

We are revising Financial Responsibility Class (FRC) factors for homeowners, tenants, and condominiums forms. Draft manual page H-407 reflects this change.

Property Protection Classification

We are removing the deviations from ISO protection class definitions. In addition, we are revising the protection class factors for the dwelling form only. See draft manual pages H- 3 to 10 and H-13 to 15 for details.

Earthquake Factors and Deductible

We are implementing a 15% earthquake deductible in addition to the 5% and 10% deductibles that are currently available. We are making the 15% earthquake deductible mandatory in earthquake zones one and two. The mandatory 15% deductible for zones one and two will apply to Homeowners, Tenants, Condominium, and Mobile Homeowner forms. The associated revised earthquake rates may be viewed on draft manual pages H-416 to H-419 and MH – 53.

Safe Home Rating Plan

We are implementing a claims threshold exception rule for the Homeowner, Tenants, and Condominium policy forms. See draft manual page H-407 for details.

Associate Discount

As a companywide initiative, we are implementing an associate discount for all Homeowner, Tenant, and Condominium policy holders that are also a current or retired employee of a Nationwide affiliated company. See draft manual page H-408 to 410 for details.

Miscellaneous Editorial Changes

We are making miscellaneous editorial changes associated with the aforementioned changes.

22. **Filing Fees** (Filer must provide check # and fee amount if applicable)  
[If a state requires you to show how you calculated your filing fees, place that calculation below]

**Check #:** NA (Will pay by EFT)

**Amount:** \$100

**Refer to each state's checklist for additional state specific requirements or instructions on calculating fees.**

**\*\*\*Refer to the each state's checklist for additional state specific requirements (i.e. # of additional copies required, other state specific forms, etc.)**

## TABLE OF CONTENTS

Eff. ~~8-23-08~~  
8-18-09

	PAGE
STANDARDS OF INSURABILITY .....	HIS — 1
TERRITORIAL RULES AND RATES	
STEPS TO RATE A HOMEOWNER POLICY .....	1
TERRITORY DEFINITIONS .....	2
FIRE PROTECTION REQUIREMENTS .....	3 to 10
CONSTRUCTION OF DWELLING .....	3 to 10
ROOF CONSTRUCTION .....	3 to 10
POLICY DECLARATIONS .....	3 to 10
STANDARD COVERAGE LIMITS .....	11 to 12
PREMIUM COMPUTATION FOR HOMEOWNER POLICIES	
Base Rate ★ .....	13 to 15
Territory Rating Factors .....	13 to 15
Protection Class/Construction Type Rating Factors .....	13 to 15
Amount of Insurance Rating Factors .....	16
PREMIUM COMPUTATION FOR TENANTS POLICIES	
Base Rate ★ .....	17
Territory Rating Factors .....	17
Protection Class/Number of Families* Rating Factors .....	17
Amount of Insurance Rating Factors .....	17
PREMIUM COMPUTATION FOR CONDOMINIUM POLICIES	
Base Rate ★ .....	18 to 400
Territory Rating Factors .....	18 to 400
Protection Class/Number of Families* Rating Factors .....	18 to 400
Amount of Insurance Rating Factors .....	18 to 400
HOMEOWNER INSTRUCTIONS AND PREMIUM INTERPOLATION TABLES .....	401
CREDITS AND CHARGES	
Insurance to Value Base Premium Adjustment .....	402
Deductible Rating Rule .....	402
Multi-Family Dwellings .....	403
Class Rated Townhouses .....	403
Fire Resistive Construction .....	403
Secondary Locations .....	404
Condominium Rental Charge .....	404
Protective Device Credit Rule .....	404
Age of Construction/Home Renovation — (Homeowner Policy Only) .....	405
Safe Home Rating Plan .....	406
Financial Responsibility Rate Factor ★ .....	407
Supplemental Heating Charge .....	408 to 410
Home and Car Discount .....	408 to 410
ADDITIONAL SECTION I COVERAGES	
Building Additions and Alterations .....	411
Extended Replacement Cost .....	411
Condominium Special Coverage .....	412
Loss Assessment Option N .....	412
Personal Property .....	413
Other Structures .....	413
Loss of Use -- Tenants Policy Only .....	413
Fire Department Service Charge .....	413
Theft Coverage Extension — Tenants Policy Only .....	413
Credit Card, Forgery and Counterfeit Money Coverage .....	413
Personal Property Accidental Direct Physical Loss Coverage Options .....	414
Tools Increased Theft Limits Option E .....	414

Nationwide  
Associate  
Discount

**STEPS TO RATE A HOMEOWNER POLICY**

Eff. 8-18-09

- A. Determine eligibility and desirability.
- B. Classify
  - 1. Determine the Territory Zone.
  - 2. Determine Fire Protection Class using Fire Protection Requirements.
  - 3. Determine construction — masonry, masonry veneer, or frame.
- C. Determine the amount of coverage (Insuring to Full Replacement Cost is recommended).
- D. Calculate the Base Premium for type of policy desired. If the desired amount of coverage is not shown, follow the Instructions for Interpolation of Policy Amounts.
- E. Apply each of the following rules, if necessary, in this order:
  - 1. Insurance to Value Base Premium Adjustment.
  - 2. Deductible Rating Rule.
  - 3. Multi-Family Dwellings.
  - 4. Class Rated Townhouses.
  - 5. Fire Restrictive Construction.
  - 6. Secondary Locations.
  - 7. Condominium Rental Charge.
  - 8. Protective Device Credit Rule.
  - 9. Premium Credits For Age of Construction and Home Renovation.
- F. Check for other Additional Section I Coverages, Increased Limits, and Personal Liability coverages.
- G. Apply Safe Home Rating Plan Factor.
- H. Apply Financial Responsibility Rate Factor.
- I. Apply Supplemental Heating Surcharge.
- J. Apply **NATIONWIDE ASSOCIATE DISCOUNT**
- K. Apply Home and Car Discount.
- L. For applicable endorsements, refer to the buff page headed

**FIRE PROTECTION REQUIREMENTS****INSERT A**

~~Use the Protection Classification Listing shown in the Nationwide Dwelling Fire Portfolio instead of the listings in the ISO Public Protection Classification Manual. Other than the assignment of Protection Class II, the protection class assigned should be no higher than that assigned by ISO.~~

**CONSTRUCTION OF DWELLING**

- A. **MASONRY** — A dwelling with walls of masonry or masonry veneered construction.
- B. **FRAME** — A dwelling with walls of frame, or metal-sheathed, or stuccoed frame construction, or with walls of metal, or metal lath, and plaster on combustible supports.
- C. **MIXED** — A dwelling is classed as frame construction when the wall area of frame construction (including gables) exceeds 50 percent of the total wall area.  
  
To determine proportions in mixed construction, consider wall areas from average outside ground or street level to roof lines. Include as wall areas a mansard and ends of a gable roof if equivalent to an additional story. Exclude basement wall areas below average ground or street level.
- D. **FIRE RESISTIVE** — Building having walls, partitions, floors, roof, and ceiling assemblies constructed entirely of incombustible materials.

**ROOF CONSTRUCTION**

- A. **APPROVED ROOF** — Includes roof of metal, slate, wooden shingles, tile, asbestos composition shingles, and composition roofing materials.
- B. **UNAPPROVED ROOF** — Includes roofs of boards, rolled roofing, and tar paper. When the roof (other than roofs of open porches) of a dwelling is surfaced with both approved and unapproved materials, the entire roof is classed as "Unapproved."

**POLICY DECLARATIONS**

- A. When a policy is written in accordance with the Fire Protection Requirements, the following instructions apply:
  - 1. Distance from hydrant — Insert on the Declarations the distance in feet from nearest fire hydrant.
  - 2. Distance from fire department — Insert on the Declarations the distance in miles from principal fire department.
- B. **Identification of Premises** — Where there are multiple residences at the same address, the location of the covered premises must be identified on the Declarations by the apartment number, the condominium unit number, or other positive identification.
- C. **Seasonal Dwellings** — Eligible seasonal dwellings must be designated "seasonal" on the Declarations.
- D. **Incidental Occupancy** — For eligible occupancies, designate the type of occupancy on the Declarations.
- E. **Joint Owner, Non-Occupant** — Such eligible Insureds must be designated as Additional Insureds on the Declarations.
- F. **Church Parsonages** — For such eligible dwellings, designate the minister as the Insured and the church as an Additional Insured on the Declarations.

## **Protection Classification Information**

### **Homeowners, Tenants, and Condominium Policies**

1. Use the Protection Classification Listing shown in the ISO Community Mitigation Classification Manual.

A classified area means that area or fire department is listed in the ISO Community Mitigation Classification Manual.

2. Inside Classified Area

Inside city limits or within the limits of recognized fire districts.

- a. Dwellings located within the corporate limits of the municipality or established boundaries of a fire district will be accorded the rating classification of the municipality or district as established.
- b. In a classified area where one or more classifications are indicated (e.g. 6/9) the first class shown applies to properties within five road miles of a responding fire department and within 1,000 feet of a fire hydrant.
- c. In a classified area where two or more classifications are indicated (e.g. 6/9) the second class shown applies to properties within five road miles of a responding fire department but beyond 1,000 feet of a fire hydrant.
- d. Protection Class 10 applies to properties that are beyond five road miles of a responding fire department.

3. Outside Classified Area (Unprotected)

Dwellings for which protection credit is not provided under the rules above shall rate as Class 10.

## PREMIUM COMPUTATION FOR HOMEOWNER POLICIES

## BASE RATE

Eff. ~~8-23-08~~

8-18-09

\$1,503.44

## Step (1)

Multiply the base rate of ~~\$1,352.81~~ by the appropriate Territory rating factor from Table A below. Round to the nearest penny.

TABLE A — TERRITORY RATING FACTORS

Rating Territory	Factor
79	0.972
81	0.814
84	0.809
85	0.948
89	0.981
90	0.965
91	0.965
92	0.981
93	1.000
94	0.891
100	0.891
101	1.164
102	1.164
103	1.164
104	1.158
105	1.158
106	1.158
107	1.158
108	1.154
109	0.794
110	0.814
111	0.794
112	0.794
113	0.842
114	0.842
115	0.939
116	0.954
117	0.954
118	0.943
119	0.943
120	0.943
121	0.939
122	0.939

## Step (2)

Multiply the result from Step (1) by the appropriate Protection Class/Type of Construction rating factor in Table B. Round to the nearest penny.

~~INSERT B~~

~~TABLE B —  
PROTECTION CLASS/CONSTRUCTION TYPE  
RATING FACTORS~~

Protection Class	Entire State		
	MAS	FRM	MSV
02	1.000	1.099	1.000
03	1.000	1.099	1.000
04	1.041	1.177	1.041
05	1.041	1.177	1.041
06	1.177	1.311	1.177
07	1.320	1.458	1.320
08	1.787	2.099	1.787
09	2.265	2.677	2.265
10	3.097	3.794	3.097
11	4.032	4.590	4.032

Arkansas Homeowners  
INSERT B  
H-13 to 15

**TABLE B -  
PROTECTION CLASS/CONSTRUCTION TYPE  
RATING FACTORS**

<b>Protection Class</b>	<b>Entire State</b>		
	<b>MAS</b>	<b>FRM</b>	<b>MSV</b>
02	1.000	1.099	1.000
03	1.000	1.099	1.000
04	1.041	1.177	1.041
05	1.041	1.177	1.041
06	1.177	1.311	1.177
07	1.231	1.402	1.231
08	1.388	1.486	1.388
09	1.838	1.573	1.838
10	3.097	3.794	3.097
11	4.032	4.590	4.032



## PREMIUM COMPUTATION FOR TENANTS POLICIES

## BASE RATE

Eff. ~~8-23-08~~  
8-18-09

## Step (1)

\$181.85

Multiply the base rate of ~~\$186.61~~ by the appropriate Territory rating factor from Table A below. Round to the nearest penny.

TABLE A — TERRITORY RATING FACTORS

Eff. 10-1-05

Rating Territory	Factor
84, 111, 113	0.962
79, 85, 91, 92, 102, 105, 109, 110, 112, 114, 116, 118	1.000
81, 89, 90, 94, 101, 103, 104, 106, 107, 108, 115, 117, 119, 120-122	1.013
93	1.151

## Step (2)

Multiply the result from Step (1) by the appropriate Protection Class/Number of Families rating factor in Table B. Round to the nearest penny.

TABLE B —  
PROTECTION CLASS/NUMBER OF FAMILIES\*  
RATING FACTORS

Protection Class	Terr: Entire State	
	1 - 4	A/O
02	1.000	1.000
03	1.000	1.000
04	1.000	1.000
05	1.095	1.095
06	1.095	1.095
07	1.248	1.248
08	1.248	1.248
09	1.600	1.600
10	1.600	1.600
11	1.819	1.819

\* 1 - 4: One to four families or fire resistive.

A/O: All other risks.

## Step (3)

Multiply the result from Step (2) by the appropriate Amount of Insurance rating factor from Table C. Interpolation may be used to calculate factors for amounts not shown. See page H — 401 for instructions. Round to the nearest penny, then round to the nearest whole dollar.

TABLE C —  
AMOUNT OF INSURANCE RATING FACTORS

Amount of Insurance	All Territories
\$ 4,000	0.620
5,000	0.620
6,000	0.620
7,000	0.652
8,000	0.690
9,000	0.740
10,000	0.780
11,000	0.832
12,000	0.873
13,000	0.912
14,000	0.953
15,000	1.000
16,000	1.040
17,000	1.078
18,000	1.120
19,000	1.155
20,000	1.194
25,000	1.335
30,000	1.496
35,000	1.657
40,000	1.803
45,000	1.940
**5,000	0.121

\*\* Add For Each Additional \$5,000

## PREMIUM COMPUTATION FOR CONDOMINIUM POLICIES

## BASE RATE

Efr. ~~8-23-08~~  
8-18-09

## Step (1)

\$349.95

Multiply the base rate of ~~\$342.25~~ by the appropriate Territory rating factor from Table A below. Round to the nearest penny.

TABLE A — TERRITORY RATING FACTORS

Rating Territory	Factor
All	1.000

## Step (2)

Multiply the result from Step (1) by the appropriate Protection Class/Number of Families rating factor in Table B. Round to the nearest penny.

TABLE B —  
PROTECTION CLASS/NUMBER OF FAMILIES\*  
RATING FACTORS

Protection Class	Terr: Entire State	
	1 - 4	A/O
02	1.000	1.000
03	1.000	1.000
04	1.000	1.000
05	1.100	1.100
06	1.100	1.100
07	1.100	1.100
08	1.100	1.100
09	1.592	1.592
10	1.592	1.592
11	1.815	1.815

\* 1 - 4: One to four families or fire resistive.

A/O: All other risks.

## Step (3)

Multiply the result from Step (2) by the appropriate Amount of Insurance rating factor from Table C. Interpolation may be used to calculate factors for amounts not shown. See page H — 401 for instructions. Round to the nearest penny, then round to the nearest whole dollar.

TABLE C —  
AMOUNT OF INSURANCE RATING FACTORS

Amount of Insurance	All Territories
\$ 4,000	0.471
5,000	0.471
6,000	0.471
7,000	0.500
8,000	0.529
9,000	0.563
10,000	0.592
11,000	0.632
12,000	0.661
13,000	0.690
14,000	0.718
15,000	0.753
16,000	0.787
17,000	0.816
18,000	0.845
19,000	0.868
20,000	0.897
25,000	1.000
30,000	1.121
35,000	1.241
40,000	1.351
45,000	1.448
**5,000	0.086

\*\* Add For Each Additional \$5,000

**HOMEOWNER INSTRUCTIONS AND PREMIUM INTERPOLATION TABLES****INSTRUCTIONS FOR INTERPOLATION  
OF POLICY AMOUNTS**

These tables are designed to obtain premiums for amounts of insurance not provided in Table C — Amount of Insurance Rating Factors. Interpolation of policy amounts should be done before any calculation for other coverages. When interpolating for deductibles other than \$250, calculate the premium for the desired amount for \$250 deductible. Then apply the factor for the desired deductible.

*INSERT C*

**Calculation****Example**

(1)	Desired amount of insurance .....	\$52,245
(2)	Highest amount of insurance shown in Table C that is less than the desired amount in (1) .....	50,000
(3)	Lowest amount of insurance shown in Table C that is greater than the desired amount in (1) .....	55,000
(4)	Difference between (1) and (2) above: (1) minus (2) .....	2,245
(5)	Difference between (3) and (2) above: (3) minus (2) .....	5,000
(6)	Result of (4) divided by (5), rounded to three decimal places .....	0.449
(7)	Base Premium associated with the amount of insurance in (2) above. Developed from Step (3) and Table C of Base Premium Computation .....	\$ 814.00
(8)	Base Premium associated with the amount of insurance in (3) above. Developed from Step (3) and Table C of Base Premium Computation .....	\$ 840.00
(9)	Difference in premiums between (8) and (7): (8) minus (7) .....	\$ 26.00
(10)	Factor in (6) applied to premium difference; (9) multiplied by (6). Round to the nearest penny .....	\$ 11.67
(11)	Premium for the desired amount of insurance; (7) plus (10) .....	\$ 825.67

After all calculations for optional deductibles and to other optional coverages, the final annual premium is rounded to the nearest dollar.

**INSTRUCTIONS FOR POLICY AMOUNTS IN  
EXCESS OF BASE PREMIUM TABLES**

To calculate premiums in \$5,000 increments for amounts in excess of those shown in Table C — Amount of Insurance Factors, follow premium computation steps 1 through 3 using the Amount of Insurance Rating Factor for each additional \$5,000. Interpolate as shown above.

**Arkansas Homeowners**  
**INSERT C**  
**Portfolio Page H-401**  
**Effective 8/18/2009**

		<u>Example</u>
<b>Calculation</b>		
(1)	Desired amount of insurance	<u>\$52,245</u>
(2)	Highest amount of insurance shown in Table C that is less than the desired amount in (1)	<u>50,000</u>
(3)	Lowest amount of insurance shown in Table C that is greater than the desired amount in (1)	<u>55,000</u>
(4)	Difference between (1) and (2) above: (1) - (2)	<u>2,245</u>
(5)	Difference between (3) and (2) above: (3) - (2)	<u>5,000</u>
(6)	Result of (4) divided by (5), rounded to three decimal places	<u>0.449</u>
(7)	Base premium associated with the amount of insurance in (2) above. Developed from Step (3) and Table C of Base Premium Computation	<u>\$ 1,007.00</u>
(8)	Base premium associated with the amount of insurance in (3) above. Developed from Step (3) and Table C of Base Premium Computation	<u>\$ 1,022.00</u>
(9)	Difference in premium between (8) and (7): (8) - (7)	<u>\$ 15.00</u>
(10)	Factor in (6) applied to the premium difference; (9) * (6). Round to the nearest penny	<u>\$ 6.74</u>
(11)	Premium for the desired amount of insurance. (7) + (10)	<u>\$ 1,013.74</u>

**CREDITS AND CHARGES (cont'd)****J. SAFE HOME RATING PLAN (cont'd)**The Number of Points Accumulated from Paid Claims in the Last Three Years

The number of points is determined by the number of points accumulated, according to the table below, in the last three years (ending 90 days prior to the policy effective date). A qualified claim is considered to be any claim, which results in a net paid loss during this 3-year period. Weather and catastrophe related losses and losses, which only have payments under Medical Payments coverage, are also NOT considered to be qualified claims.

<u>Cause of Loss</u>	<u>Points</u>
Catastrophe	0
Medical Payments	0
Weather	0
Section II Liability	5
All Other	3

**INSERT D****K. FINANCIAL RESPONSIBILITY RATE FACTOR**  
Eff. 8-23-08

Based on Nationwide's Proprietary Credit Scoring Model for use in Arkansas, the scoring rules listed below are applicable. Based on the resulting credit score and its corresponding Financial Responsibility Class, multiply the accumulated premium by the appropriate factor in the table below:

**INSERT E**

<b>Financial Responsibility Class</b>	<b>Rate Factors</b>		
	<b>Homeowner</b>	<b>Condo-minium</b>	<b>Tenants</b>
1	0.49	0.48	0.50
2	0.49	0.48	0.50
3	0.49	0.48	0.50
4	0.49	0.48	0.50
5	0.53	0.52	0.54
6	0.56	0.54	0.56
7	0.58	0.57	0.58
8	0.60	0.59	0.61
9	0.62	0.61	0.63
10	0.65	0.64	0.66
11	0.68	0.67	0.68
12	0.71	0.70	0.71
13	0.74	0.73	0.74
14	0.77	0.76	0.77
15	0.81	0.80	0.81
16	0.84	0.84	0.84
17	0.88	0.88	0.88
18	1.10	1.10	1.10
19	1.17	1.17	1.17
20	1.20	1.20	1.20

<b>Financial Responsibility Class</b>	<b>Rate Factors</b>		
	<b>Homeowner</b>	<b>Condo-minium</b>	<b>Tenants</b>
21	1.56	1.56	1.54
811 & <60 Years Old	0.77	0.85	0.94
811 & 60+ Years Old	0.56	0.65	0.72
812 & <60 Years Old	0.77	0.84	0.92
812 & 60+ Years Old	0.56	0.65	0.72

**New Business Scoring:**

The following rules (in order of precedence) are applicable:

1. Credit reports shall be obtained for the first and second named insureds.
2. On a policy where the first and second named insured has a credit score, the credit class associated with the first or second named insured with the best credit score shall be assigned to the policy.
3. If the first and second named insureds are all exclusions or a combination of exclusions and no-hits, a Financial Responsibility Class 811 Factor applies. The age of the oldest first or second named insured shall be used to determine which class 811 factor applies.
4. On policies where the first or second named insureds are all credit "no-hits," the Financial Responsibility Class 812 Factor shall be assigned to the policy. The age of the first or second named insured shall be used to determine which class 812 factor applies.

**Renewal Scoring:**

The following rules (in order of precedence) are applicable:

1. Credit reports shall be obtained for the first and second named insureds.
2. On a policy where the first or second named insured has a credit score, the credit class associated with the first or second named insured with the best credit score shall be assigned to the policy.
3. If the first and second named insureds are all exclusions or a combination of exclusions and "no-hits," a Financial Responsibility Class 811 Factor applies. The age of the oldest first or second named insured shall be used to determine which class 811 factor applies.

**Arkansas Homeowners**

**INSERT D**

**H - 407**

**EFF: 8/18/2009**

A claim that is qualified for SHRP is any claim chargeable for SHRP with the following exception:

*Claim Threshold Exception – If a policyholder has a single claim chargeable for SHRP during the three year period prior to and including the policy effective date with a paid loss amount of \$500 or less, this claim will not be considered a claim qualified for SHRP. Should there be more than one claim chargeable for SHRP with a paid loss during the three-year period prior to and including the policy effective date, then all claims chargeable, regardless of paid amount, will be considered claims qualified for SHRP.*

Arkansas Homeowners  
 INSERT E  
 H- 407

Financial Responsibility Class	Rate Factors		
	Homeowner	Condominium	Tenants
1	0.49	0.48	0.50
2	0.49	0.48	0.50
3	0.49	0.48	0.50
4	0.49	0.48	0.50
5	0.53	0.52	0.54
6	0.56	0.54	0.56
7	0.58	0.57	0.58
8	0.60	0.59	0.61
9	0.62	0.61	0.63
10	0.65	0.64	0.66
11	0.68	0.67	0.68
12	0.71	0.70	0.71
13	0.74	0.73	0.74
14	0.77	0.76	0.77
15	0.81	0.80	0.81
16	0.84	0.84	0.84
17	0.88	0.88	0.88
18	1.16	1.16	1.16
19	1.23	1.23	1.23
20	1.26	1.26	1.26
21	1.64	1.64	1.62
811 & <60 Years Old	0.77	0.67	0.88
811 & 60+ Years Old	0.59	0.65	0.76
812 & <60 Years Old	0.77	0.67	0.88
812 & 60+ Years Old	0.59	0.65	0.76

**CREDITS AND CHARGES (cont'd)****K. FINANCIAL RESPONSIBILITY RATE FACTOR (cont'd)**

Eff. 8-23-08

**Renewal Scoring (cont'd):**

4. On policies where the first or second named insureds are all credit "no-hits," the Financial Responsibility Class 812 Factor shall be assigned to the policy. The age of the first or second named insured shall be used to determine which class 812 factor applies.

5. Policies may move up or down only two credit classes per review, subject to the following credit reclassification rules:

Move policies to a better credit class upon renewal if:

- a. It is the annual renewal date for the policy, AND
- b. The policy satisfies the requirements of the better credit class.

Move policies to a worse credit class upon renewal if:

- a. It is the annual renewal date for the policy, AND
- b. The policy satisfies the requirements of the worse credit class.

6. Once a policy reaches its true Financial Responsibility Class, credit will only be ordered every three years.

**Renewal Scoring Exception:**

Policies where the first or second named insureds were all prior "no-hits" or exclusions are subject to the New Business Scoring Rules above.

**Added/Deleted Named Insured(s) and Spouse:**

- 1. Do not order a credit report on the added named insured at the time of the change.
- 2. Apply the Renewal Business Scoring Rules at the annual renewal date of the policy.

When the first or second named insured is deleted from the policy at any time other than the annual renewal of the policy, the following rules apply:

- 1. The policy retains the current credit class.
- 2. Apply the Renewal Business Scoring Rules at the annual renewal date of the policy.

**Spin-Off Policies**

Any time a new policy must be set up for an existing customer of a Nationwide Company, a new credit class must be established using the rules outlined in the New Business Scoring portion of the Financial Responsibility Rate Factor section of this rating manual.

**L. SUPPLEMENTAL HEATING CHARGE**

This rule applies to Homeowner Policies

Charge applies to fuel burning appliances, including wood, coal and pellet stoves, cook-stoves, freestanding stoves, freestanding fireplaces, and fireplaces with fireplace inserts. Conventional masonry fireplaces and factory-built fireplaces without fireplace inserts, and coal furnaces as well as portable heating units are not included in this class.

When the charge applies, the otherwise applicable premiums shall be increased by 5 percent (multiply by a factor of 1.05). This charge is applied to the premium after the application of the Financial Responsibility Credit.

The charges are not applicable to the premium charged for Optional Coverage Against Backing of Sewers and Drains or New Construction Theft Coverage.

**INSERT F**  
**M**  
**N**

**HOME AND CAR DISCOUNT**  
Eff. 2-16-08

This rule applies to Homeowner, Tenants, and Condominium policies only.

When the Named Insured is also the Named Insured under a Nationwide Mutual Insurance Company Standard Auto policy, the otherwise applicable premiums shall be reduced by 20 percent (multiply by a factor of 0.80). This discount is applied after the application of all other charges and credits, including charges for additional Section I coverages and Personal Liability coverages.



Arkansas Homeowners  
Insert F  
H- 408 to 410

M. NATIONWIDE ASSOCIATE DISCOUNT

This rule applies to Homeowner, Tenant, and Condominium policies

When a Named Insured on the policy is either a current employee or a retiree of Nationwide Mutual Insurance Company, or any subsidiary (direct or indirect) company of Nationwide Mutual Insurance Company, or any affiliate company of Nationwide Mutual Insurance Company, the otherwise applicable premium shall be reduced by 10 percent (multiply by .90).

This discount applies to the accumulated premium after the application of the Replacement Cost Plus charge, if applicable.

**ADDITIONAL SECTION I COVERAGES (cont'd)****Q. EARTHQUAKE AND VOLCANIC ERUPTION COVERAGE****INSERT G**

		<b>FRAME</b>						
		<b>Rate per \$1,000</b>						
<b>5% Deductible</b>		<b>Zones</b>						
		<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>
Homeowner Form without Extended Replacement Cost Option	(Coverage A)	0.75	0.75	0.36	0.36	0.26	0.26	0.22
Homeowner Form with Extended Replacement Cost Option	(Coverage A)	0.75	0.75	0.36	0.36	0.26	0.26	0.22
Tenants Form	(Coverage C)	0.51	0.51	0.26	0.26	0.19	0.19	0.16
Condominium Form without Extended Replacement Cost Option	(Coverage C)	0.51	0.51	0.26	0.26	0.19	0.19	0.16
Condominium Form with Extended Replacement Cost Option	(Coverage C)	0.51	0.51	0.26	0.26	0.19	0.19	0.16
Personal Property, Homeowner Form for Increase of Basic Coverage C Limit, or Incidental Occupancy	(Amount of Increase Only)	0.51	0.51	0.26	0.26	0.19	0.19	0.16
Other Structures, for the following optional coverages:	(Amount of Increase Only)							
Increase of Basic Coverage B Limit	(Amount of Increase Only)	0.75	0.75	0.36	0.36	0.26	0.26	0.22
Loss of Use	(Amount of Increase Only)	0.51	0.51	0.26	0.26	0.19	0.19	0.16
Additions and Alterations for Condominiums and Tenants	(Amount of Increase Only)	0.75	0.75	0.36	0.36	0.26	0.26	0.22
Loss of Assessment Option								
All Forms excluding Tenants	Desired Limit	0.75	0.75	0.36	0.36	0.26	0.26	0.22

These charges are not subject to Condominium Rental charge or deductible credits.

Arkansas Homeowner  
 INSERT G  
 H- 416

**FRAME**  
 Rate per \$1,000

5% Deductible		Zones						
		1	2	3	4	5	6	7
Homeowner Form without Extended Replacement Cost Option	(Coverage A)	-	-	0.46	0.46	0.36	0.36	0.22
Homeowner Form with Extended Replacement Cost Option	(Coverage A)	-	-	0.46	0.46	0.36	0.36	0.22
Tenants Form	(Coverage C)	-	-	0.36	0.36	0.29	0.29	0.16
Condominium Form without Extended Replacement Cost Option	(Coverage C)	-	-	0.34	0.21	0.21	0.21	0.16
Condominium Form with Extended Replacement Cost Option	(Coverage C)	-	-	0.34	0.21	0.21	0.21	0.16
Personal Property, Homeowner Form for Increase of Basic Coverage C Limit, or Incidental Occupancy	(Amount of Increase Only)	-	-	0.36	0.31	0.29	0.29	0.16
Other Structures, for the following optional coverages: Increase Basic Coverage B Limit	(Amount of Increase Only)	-	-	0.46	0.46	0.36	0.36	0.22
Loss of Use	(Amount of Increase Only)	-	-	0.36	0.31	0.29	0.29	0.16
Additions and Alterations for Condominiums and Tenants	(Amount of Increase Only)	-	-	0.46	0.31	0.31	0.31	0.22
Loss of Assessment Option All Forms excluding Tenants	Desired Limit	-	-	0.46	0.46	0.36	0.36	0.22

**ADDITIONAL SECTION I COVERAGES (cont'd)**

## Q. EARTHQUAKE AND VOLCANIC ERUPTION COVERAGE (cont'd)

**INSERT H**

		<b>ALL OTHER</b>						
		<b>Rate per \$1,000</b>						
<b>5% Deductible</b>		<b>Zones</b>						
		<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>
Homeowner Form without Extended Replacement Cost Option	(Coverage A)	0.92	0.92	0.42	0.42	0.31	0.31	0.28
Homeowner Form with Extended Replacement Cost Option	(Coverage A)	0.92	0.92	0.42	0.42	0.31	0.31	0.28
Tenants Form	(Coverage C)	0.51	0.51	0.26	0.26	0.19	0.19	0.16
Condominium Form without Extended Replacement Cost Option	(Coverage C)	0.51	0.51	0.26	0.26	0.19	0.19	0.16
Condominium Form with Extended Replacement Cost Option	(Coverage C)	0.51	0.51	0.26	0.26	0.19	0.19	0.16
Personal Property, Homeowner Form for Increase of Basic Coverage C Limit, or Incidental Occupancy	(Amount of Increase Only)	0.51	0.51	0.26	0.26	0.19	0.19	0.16
Other Structures, for the following optional coverages:	(Amount of Increase Only)							
Increase of Basic Coverage B Limit	(Amount of Increase Only)	0.92	0.92	0.42	0.42	0.31	0.31	0.28
Loss of Use	(Amount of Increase Only)	0.51	0.51	0.26	0.26	0.19	0.19	0.16
Additions and Alterations for Condominiums and Tenants	(Amount of Increase Only)	0.92	0.92	0.42	0.42	0.31	0.31	0.28
Loss of Assessment Option								
All Forms excluding Tenants	Desired Limit	0.92	0.92	0.42	0.42	0.31	0.31	0.28

These charges are not subject to Condominium Rental charge or deductible credits.

**ALL OTHER**  
**Rate per \$1,000**

<b>5% Deductible</b>		<b>Zones</b>						
		<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>
Homeowner Form without Extended Replacement Cost Option	(Coverage A)	-	-	0.52	0.52	0.41	0.41	0.28
Homeowner Form with Extended Replacement Cost Option	(Coverage A)	-	-	0.52	0.52	0.41	0.41	0.28
Tenants Form	(Coverage C)	-	-	0.36	0.36	0.29	0.29	0.16
Condominium Form without Extended Replacement Cost Option	(Coverage C)	-	-	0.36	0.36	0.29	0.26	0.16
Condominium Form with Extended Replacement Cost Option	(Coverage C)	-	-	0.36	0.36	0.29	0.26	0.16
Personal Property, Homeowner Form for Increase of Basic Coverage C Limit, or Incidental Occupancy	(Amount of Increase Only)	-	-	0.36	0.36	0.29	0.29	0.16
Other Structures, for the following optional coverages: Increase Basic Coverage B Limit	(Amount of Increase Only)	-	-	0.52	0.52	0.41	0.41	0.28
Loss of Use	(Amount of Increase Only)	-	-	0.36	0.36	0.29	0.29	0.16
Additions and Alterations for Condominiums and Tenants	(Amount of Increase Only)	-	-	0.52	0.52	0.41	0.39	0.28
Loss of Assessment Option All Forms excluding Tenants	Desired Limit	-	-	0.52	0.52	0.41	0.41	0.28

**ADDITIONAL SECTION I COVERAGES (cont'd)**

## Q. EARTHQUAKE AND VOLCANIC ERUPTION COVERAGE (cont'd)

**INSERT I**

		<b>FRAME</b>						
		<b>Rate per \$1,000</b>						
<b>10% Deductible</b>		<b>Zones</b>						
		<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>
Homeowner Form without Extended Replacement Cost Option	(Coverage A)	0.50	0.50	0.24	0.24	0.17	0.17	0.15
Homeowner Form with Extended Replacement Cost Option	(Coverage A)	0.50	0.50	0.24	0.24	0.17	0.17	0.15
Tenants Form	(Coverage C)	0.34	0.34	0.17	0.17	0.13	0.13	0.11
Condominium Form without Extended Replacement Cost Option	(Coverage C)	0.34	0.34	0.17	0.17	0.13	0.13	0.11
Condominium Form with Extended Replacement Cost Option	(Coverage C)	0.34	0.34	0.17	0.17	0.13	0.13	0.11
Personal Property, Homeowner Form for Increase of Basic Coverage C Limit, or Incidental Occupancy	(Amount of Increase Only)	0.34	0.34	0.17	0.17	0.13	0.13	0.11
Other Structures, for the following optional coverages:	(Amount of Increase Only)	0.50	0.50	0.24	0.24	0.17	0.17	0.15
Increase of Basic Coverage B Limit	(Amount of Increase Only)	0.34	0.34	0.17	0.17	0.13	0.13	0.11
Loss of Use	(Amount of Increase Only)	0.34	0.34	0.17	0.17	0.13	0.13	0.11
Additions and Alterations for Condominiums and Tenants	(Amount of Increase Only)	0.50	0.50	0.24	0.24	0.17	0.17	0.15
Loss of Assessment Option	(Amount of Increase Only)	0.50	0.50	0.24	0.24	0.17	0.17	0.15
All Forms excluding Tenants	Desired Limit	0.50	0.50	0.24	0.24	0.17	0.17	0.15

These charges are not subject to Condominium Rental charge or deductible credits.

Arkansas Homeowner  
 INSERT I  
 H- 418

**FRAME**  
**Rate per \$1,000**

10% Deductible		Zones						
		1	2	3	4	5	6	7
Homeowner Form without Extended Replacement Cost Option	(Coverage A)	-	-	0.34	0.34	0.27	0.23	0.15
Homeowner Form with Extended Replacement Cost Option	(Coverage A)	-	-	0.34	0.34	0.27	0.23	0.15
Tenants Form	(Coverage C)	-	-	0.27	0.27	0.23	0.17	0.11
Condominium Form without Extended Replacement Cost Option	(Coverage C)	-	-	0.27	0.18	0.14	0.13	0.11
Condominium Form with Extended Replacement Cost Option	(Coverage C)	-	-	0.27	0.18	0.14	0.13	0.11
Personal Property, Homeowner Form for Increase of Basic Coverage C Limit, or Incidental Occupancy	(Amount of Increase Only)	-	-	0.27	0.27	0.19	0.15	0.11
Other Structures, for the following optional coverages: Increase Basic Coverage B Limit	(Amount of Increase Only)	-	-	0.34	0.34	0.27	0.23	0.15
Loss of Use	(Amount of Increase Only)	-	-	0.27	0.27	0.19	0.15	0.11
Additions and Alterations for Condominiums and Tenants	(Amount of Increase Only)	-	-	0.34	0.27	0.22	0.20	0.15
Loss of Assessment Option All Forms excluding Tenants	Desired Limit	-	-	0.34	0.34	0.27	0.23	0.15

**ADDITIONAL SECTION I COVERAGES (cont'd)****Q. EARTHQUAKE AND VOLCANIC ERUPTION COVERAGE (cont'd)**

INSERT J  
 INSERT K  
 INSERT L

<b>ALL OTHER</b>		<b>Rate per \$1,000</b>						
<b>10% Deductible</b>		<b>Zones</b>						
		<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>
Homeowner Form without Extended Replacement Cost Option	(Coverage A)	0.61	0.61	0.28	0.28	0.21	0.21	0.18
Homeowner Form with Extended Replacement Cost Option	(Coverage A)	0.61	0.61	0.28	0.28	0.21	0.21	0.18
Tenants Form	(Coverage C)	0.34	0.34	0.17	0.17	0.13	0.13	0.11
Condominium Form without Extended Replacement Cost Option	(Coverage C)	0.34	0.34	0.17	0.17	0.13	0.13	0.11
Condominium Form with Extended Replacement Cost Option	(Coverage C)	0.34	0.34	0.17	0.17	0.13	0.13	0.11
Personal Property, Homeowner Form for Increase of Basic Coverage C Limit, or Incidental Occupancy	(Amount of Increase Only)	0.34	0.34	0.17	0.17	0.13	0.13	0.11
Other Structures, for the following optional coverages:	(Amount of Increase Only)							
Increase of Basic Coverage B Limit	(Amount of Increase Only)	0.61	0.61	0.28	0.28	0.21	0.21	0.18
Loss of Use	(Amount of Increase Only)	0.34	0.34	0.17	0.17	0.13	0.13	0.11
Additions and Alterations for Condominiums and Tenants	(Amount of Increase Only)	0.61	0.61	0.28	0.28	0.21	0.21	0.18
Loss of Assessment Option								
All Forms excluding Tenants	Desired Limit	0.61	0.61	0.28	0.28	0.21	0.21	0.18

These charges are not subject to Condominium Rental charge or deductible credits.



**ALL OTHER**  
**Rate per \$1,000**

10% Deductible		Zones						
		1	2	3	4	5	6	7
Homeowner Form without Extended Replacement Cost Option	(Coverage A)	-	-	0.38	0.38	0.31	0.25	0.18
Homeowner Form with Extended Replacement Cost Option	(Coverage A)	-	-	0.38	0.38	0.31	0.25	0.18
Tenants Form	(Coverage C)	-	-	0.27	0.27	0.23	0.23	0.11
Condominium Form without Extended Replacement Cost Option	(Coverage C)	-	-	0.27	0.27	0.23	0.21	0.11
Condominium Form with Extended Replacement Cost Option	(Coverage C)	-	-	0.27	0.27	0.23	0.21	0.11
Personal Property, Homeowner Form for Increase of Basic Coverage C Limit, or Incidental Occupancy	(Amount of Increase Only)	-	-	0.27	0.27	0.23	0.23	0.11
Other Structures, for the following optional coverages: Increase Basic Coverage B Limit	(Amount of Increase Only)	-	-	0.38	0.38	0.31	0.25	0.18
Loss of Use	(Amount of Increase Only)	-	-	0.27	0.27	0.23	0.23	0.11
Additions and Alterations for Condominiums and Tenants	(Amount of Increase Only)	-	-	0.38	0.38	0.31	0.30	0.18
Loss of Assessment Option All Forms excluding Tenants	Desired Limit	-	-	0.38	0.38	0.31	0.25	0.18

Arkansas Homeowner  
 INSERT K  
 H- 419

**FRAME**  
**Rate per \$1,000**

15% Deductible		Zones						
		1	2	3	4	5	6	7
Homeowner Form without Extended Replacement Cost Option	(Coverage A)	0.75	0.75	0.27	0.27	0.22	0.19	0.12
Homeowner Form with Extended Replacement Cost Option	(Coverage A)	0.75	0.75	0.27	0.27	0.22	0.19	0.12
Tenants Form	(Coverage C)	0.51	0.51	0.22	0.22	0.18	0.14	0.09
Condominium Form without Extended Replacement Cost Option	(Coverage C)	0.51	0.51	0.22	0.14	0.12	0.10	0.09
Condominium Form with Extended Replacement Cost Option	(Coverage C)	0.51	0.51	0.22	0.14	0.12	0.10	0.09
Personal Property, Homeowner Form for Increase of Basic Coverage C Limit, or Incidental Occupancy	(Amount of Increase Only)	0.51	0.51	0.22	0.22	0.15	0.12	0.09
Other Structures, for the following optional coverages: Increase Basic Coverage B Limit	(Amount of Increase Only)	0.75	0.75	0.27	0.27	0.22	0.19	0.12
Loss of Use	(Amount of Increase Only)	0.51	0.51	0.22	0.22	0.15	0.12	0.09
Additions and Alterations for Condominiums and Tenants	(Amount of Increase Only)	0.75	0.75	0.27	0.22	0.18	0.16	0.12
Loss of Assessment Option All Forms excluding Tenants	Desired Limit	0.75	0.75	0.27	0.27	0.22	0.19	0.12

**ALL OTHER**  
**Rate per \$1,000**

15% Deductible		Zones						
		1	2	3	4	5	6	7
Homeowner Form without Extended Replacement Cost Option	(Coverage A)	0.92	0.92	0.30	0.30	0.25	0.20	0.14
Homeowner Form with Extended Replacement Cost Option	(Coverage A)	0.92	0.92	0.30	0.30	0.25	0.20	0.14
Tenants Form	(Coverage C)	0.51	0.51	0.22	0.22	0.18	0.18	0.09
Condominium Form without Extended Replacement Cost Option	(Coverage C)	0.51	0.51	0.22	0.22	0.18	0.17	0.09
Condominium Form with Extended Replacement Cost Option	(Coverage C)	0.51	0.51	0.22	0.22	0.18	0.17	0.09
Personal Property, Homeowner Form for Increase of Basic Coverage C Limit, or Incidental Occupancy	(Amount of Increase Only)	0.51	0.51	0.22	0.22	0.18	0.18	0.09
Other Structures, for the following optional coverages: Increase Basic Coverage B Limit	(Amount of Increase Only)	0.92	0.92	0.30	0.30	0.25	0.20	0.14
Loss of Use	(Amount of Increase Only)	0.51	0.51	0.22	0.22	0.18	0.18	0.09
Additions and Alterations for Condominiums and Tenants	(Amount of Increase Only)	0.92	0.92	0.30	0.30	0.25	0.24	0.14
Loss of Assessment Option All Forms excluding Tenants	Desired Limit	0.92	0.92	0.30	0.30	0.25	0.20	0.14